
DELIVERED ELECTRONICALLY

June 22, 2023

Jackie Lee
Vice President & Principal
Lewis & Ellis, Inc.

Dear Ms. Lee:

To assist the Board with its review of MVP Health Plan, Inc.'s (MVP) 2024 individual and small group rate filings (Docket Nos. GMCB-004-23rr & GMCB-003-23rr), please ask MVP to provide the following information sought by the Office of the Health Care Advocate.

1. Please demonstrate the impact of “known contract changes” for 2023 and 2024 reflected in the Rx unit cost trends for these filings. Ind. Actuarial Mem. at 5; SG Actuarial Mem. at 5.
2. In responses to HCA Questions 3 and 4 dated June 27, 2022, in the dockets GMCB-005-22rr and 006-22rr, MVP stated that its contract with its current pharmacy benefit manager (PBM) runs through December 31, 2023. MVP also stated that its PBM contract has “annual market check provisions” that enable MVP to survey the market and negotiate contract enhancements. Please detail the outcome of any MVP “market check” MVP performed on its PBM in the last 12 months.
3. Please demonstrate the impact of any contract enhancements that MVP negotiated with its PBM in the last 12 months for the Vermont individual and small group books of business.
4. Regarding the passage of Vermont Act 131 (2022):
 - a. Did MVP evaluate whether its PBM has complied with the requirements of Act 131? If so, please provide an explanation of the manner in which this evaluation was completed. If not, explain why not.
 - b. Please explain the impact of Act 131’s requirements on MVP’s rates.
5. On page 35 of its January 15, 2023, report regarding PBMs,¹ the Department of Financial Regulation stated that, “read in a light most favorable to patients, the statutory language [if Act 131] suggests that Vermont health plans must apply copay assistance to patient deductibles.” For policies subject to these rate filings, state whether MVP applied copay assistance to member deductibles.

¹ <https://legislature.vermont.gov/assets/Legislative-Reports/DFR-Act-131-Report-on-PBMs.pdf>



6. Please document the impact, if any, of allowing copay assistance to apply to member deductibles on these filings.
7. We note MVP's current RBC ratio is well above the level that would trigger regulatory action. Please provide support for the assertion that 1.5% CTR is required in these filings to maintain "statutory reserve requirement for MVP's VT block of business." Ind. Actuarial Mem. at 8; SG Actuarial Mem. at 8.
8. Describe MVP's negotiations with hospitals subject to GMCB regulation for FY2023. MVP's answer should identify any savings off the GMCB approved rates and quantify the impact of these savings on medical cost trend in these rate filings.
9. MVP selected the upper end of the range (\$130 ingredient, \$40 administration) for both ingredient cost and administration of the Covid vaccine, resulting in a \$2.29 PMPM Ind and \$2.32 PMPM SG charge. What would the PMPM be if the low end of the range (\$110 ingredient, \$25 administration) were selected?
10. Provide support for the increase in administrative costs from \$47.10 to \$52.74 PMPM Ind. and \$38.75 to \$44.62 PMPM SG.
11. Please quantify the impact of MVP's Quality Improvement/Cost Control programs, estimated cost of which is 6% to 7% of administrative expense. Ind. Actuarial Mem. at 8; SG Actuarial Mem. at 8.

Sincerely,

/s/ Michael Barber

General Counsel
Green Mountain Care Board

Cc: Gary Karnedy
Ryan Long

