

August 22, 2024

Eric Bachner
MVP Health Insurance Company
625 State Street
Schenectady, NY 12305

Re: MVP Health Plan, Inc.
2025 Large Group HMO Rate Filing
SERFF Tracking #: MVPH-134197798

Dear Eric:

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 complete the following table. If any factors provided herein are incorrect, please provide a correction.

	1Q25 Annual Manual Rate Change	2Q25 Annual Manual Rate Change	3Q25 Annual Manual Rate Change	4Q25 Annual Manual Rate Change
1 st Quarterly Rate Change (Claim Costs)	1.5%	1.5%	1.5%	6.0%
2 nd Quarterly Rate Change (Claim Costs)	1.5%	1.5%	6.0%	1.6%
3 rd Quarterly Rate Change (Claim Costs)	1.5%	6.0%	1.6%	1.6%
4 th Quarterly Rate Change (Claim Costs)	6.0%	1.6%	1.6%	1.6%
Membership Distribution Shift ¹	??	??	??	??
Change in Retention/Loss Ratio	0.1%	0.1%	0.1%	0.1%
Other factors...	??	??	??	??
Total Rate Change	11.1%	11.2%	11.4%	11.5%

2. Please provide the average credibility percentage for the VT large group in this block of business.

¹ The impact of the difference in the current membership distribution at the time of the previously approved filing versus this filing.

3. We note that the IBNR factor increased significantly from the prior filing. Please provide further support for the filed IBNR factor, including historical completion factor pattern for at least 3 years prior to the experience period.
 - a. In particular, we notice an IBNR factor of 4.324 for the April 2024 incurral month. Please provide further support.
4. Provide detailed quantitative support for the medical unit cost trend for 2024 and 2025. For Vermont providers governed by the GMCB, support should reconcile to the approved budgets for 2024, and most recently submitted budget changes for 2025 (multiplied by an approval reduction factor, if assumed). 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.
5. Please provide the analysis of medical utilization trends that was used to support the filed utilization trend assumption of a 0.5%.
6. Please provide further quantitative and qualitative support for the 2026/2025 assumed trend in Exhibit 3b. What data was used as the basis for these trend assumptions, etc.?
7. Please provide detailed quantitative and qualitative support for the pharmacy unit cost and utilization trends provided in rows 60-77 of Exhibit 2a. This should include information provided by the PBM, if utilized as support for the assumptions.
8. Please provide a historical A-to-E analysis of the actual (allowed) pharmacy trends vs. the PBM/Company expected pharmacy trends for 2019-2023.
9. Please provide quantitative support for the pooling charge of 3.0% for claims above \$250,000 and discuss the historical and expected net gain or loss from pooling claims (cost vs. benefit).
10. Regarding the \$5.71 PMPM increase for H.766, please provide detailed quantitative and further qualitative support for this adjustment.
11. Please provide an itemized (broker fees, bad debt, covered lives assessment, vaccine pilot, taxes, CTR, etc.) breakdown of the retention PMPM, showing the approved components in the 2024 rate filing and the filed components in this 2025 rate filing. Please provide support for any differences.
12. For each month from January 2019 through April 2024, 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.
13. Please provide the current distribution of large groups by the applied underwriting discretion factor.
14. What is the expected range of the underwriting discretion factor for 2024?
15. Please provide the federal loss ratio for this block of business in 2023.
16. Please provide the actual gain/(loss) on the MVP large group block of business compared to the ordered risk margin for 2023.

17. Please provide the Company's risk-based capital ratio for 2026.

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 29, 2024.

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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