

**State:** VermontGMCB **Filing Company:** MVP Health Plan, Inc.  
**TOI/Sub-TOI:** HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only  
 - POS  
**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Filing at a Glance

Company: MVP Health Plan, Inc.  
 Product Name: VT LG HMO 2025  
 State: VermontGMCB  
 TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)  
 Sub-TOI: HOrg02G.003B Large Group Only - POS  
 Filing Type: GMCB Rate  
 Date Submitted: 08/15/2024  
 SERFF Tr Num: MVPH-134197798  
 SERFF Status: Pending State Action  
 State Tr Num:  
 State Status:  
 Co Tr Num:  
  
 Effective: 01/01/2025  
 Date Requested:  
 Author(s): Eric Bachner, Julia Savasta  
 Reviewer(s): Michael Barber (primary), Jacqueline Lee, Laura Beliveau, Tara Bredice  
 Disposition Date:  
 Disposition Status:  
 Effective Date:  
  
 State Filing Description:

**State:** VermontGMCB **Filing Company:** MVP Health Plan, Inc.  
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 - POS  
**Product Name:** VT LG HMO 2025  
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## General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Large
Group Market Type: Employer	Overall Rate Impact: 11.13%
Filing Status Changed: 09/13/2024	
State Status Changed:	Deemer Date:
Created By: Julia Savasta	Submitted By: Julia Savasta
Corresponding Filing Tracking Number:	

PPACA: Non-Grandfathered Immed Mkt Reforms

PPACA Notes: null

Include Exchange Intentions: No

### Filing Description:

The proposed manual rates, experience rated formula, and addendum included within this filing are for employer groups with 100+ employees in the state of Vermont with coverage dates beginning between 1/1/2025 - 12/31/2025.

## Company and Contact

### Filing Contact Information

Eric Bachner,	EBachner@mvphealthcare.com
625 State Street	518-991-3417 [Phone]
Schenectady, NY 12305	

### Filing Company Information

MVP Health Plan, Inc.	CoCode: 95521	State of Domicile: New York
625 State Street	Group Code: 1198	Company Type: Health
Schenectady, NY 12305	Group Name:	Maintenance Organization
(518) 388-2469 ext. [Phone]	FEIN Number: 14-1640868	State ID Number:

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- POS  
**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Filing Fees

### State Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

SERFF Tracking #:

MVPH-134197798

State Tracking #:

Company Tracking #:

State: VermontGMCB

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TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS

Product Name: VT LG HMO 2025

Project Name/Number: /

## Correspondence Summary

### Objection Letters and Response Letters

#### Objection Letters

Status	Created By	Created On	Date Submitted
Pending Response	Jacqueline Lee	09/06/2024	09/06/2024
Pending Response	Jacqueline Lee	08/22/2024	08/22/2024

#### Response Letters

Responded By	Created On	Date Submitted
Julia Savasta	09/13/2024	09/13/2024
Julia Savasta	08/29/2024	08/29/2024

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- POS  
**Product Name:** VT LG HMO 2025  
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## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	09/06/2024
Submitted Date	09/06/2024
Respond By Date	09/13/2024

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Dear Eric Bachner,

**Introduction:**

Please see the attached letter.

**Conclusion:**

Sincerely,  
Jacqueline Lee

September 6, 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. Regarding the response to prior objection #2 –
  - a. We acknowledge that MVP instituted a new administrative process, creating a lag time between receiving a claim and it being paid. Does MVP expect this lag to diminish over time, or is this a permanent feature of the new process?
  - b. Now that there are one to three additional months (May-July) of claims runout are available, how does the most recent estimate of incurred claims compare to the estimate files (\$188.3M from May 2023-Apr 2024)?
2. Please demonstrate the development of the additional \$0.27 PMPM for COVID-19 vaccines, e.g., provide the actual 2023 PMPM, utilization, etc.
3. Please provide the New York experience used in developing the \$0.33 PMPM for hearing aid coverage. If any adjustments are made to the experience, please justify such adjustments.
4. Please provide the Vermont experience used in developing the \$0.03 PMPM for abortions. If any adjustments are made to the experience, please justify such adjustments.
5. Please provide further support for the \$6.80 PMPM for the well-being reimbursement program. What are the YTD well-being claims PMPM?
6. Please provide further support for the \$4.04 PMPM for claims settlements to providers. Are these settlement amounts paid historically that are expected to re-occur going forward?

7. Please provide further support for the increase in pooling charges on page 2 of the VT Experience Rated Addendum.
8. Please complete the following tables, displaying all values as a percentage of premium.

Retention	Approved 2024	Proposed 2025
Administrative Expenses	...	...
Other Expenses	...	...
CTR	1.5%	2.0%
Total Retention	...	...

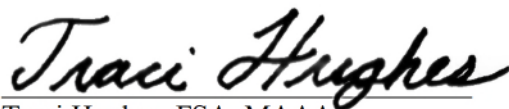
Other Expenses	Approved 2024	Proposed 2025
Broker Load	2.4%	2.1%
VT Vaccine Pilot	0.62%	0.49%
Bad Debt	0.25%	0.25%
Comparative Effectiveness Research Fee	...	...
18 VSA 9374(h) Billback	...	...
Total Other Expenses	...	...

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 September 13, 2024.

We trust that you understand these forms may not be used in Vermont until they are formally approved by the GMCB.

Sincerely,



Traci Hughes, FSA, MAAA  
 Vice President & Principal  
 Lewis & Ellis, LLC  
 thughes@LewisEllis.com  
 (972)-850-0850

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**State:** VermontGMCB **Filing Company:** MVP Health Plan, Inc.  
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- POS  
**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Objection Letter

Objection Letter Status	Pending Response
Objection Letter Date	08/22/2024
Submitted Date	08/22/2024
Respond By Date	08/29/2024

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Dear Eric Bachner,

**Introduction:**

Please see the attached letter.

**Conclusion:**

Sincerely,  
Jacqueline Lee



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

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

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<sup>1</sup> 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,



Traci Hughes, FSA, MAAA  
Vice President & Principal  
Lewis & Ellis, LLC  
thughes@LewisEllis.com  
(972)-850-0850

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MVPH-134197798

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**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 09/13/2024  
 Submitted Date 09/13/2024

Dear Michael Barber,

### Introduction:

### Response 1

#### Comments:

Please see the attached documents. Note that MVP has determined this information to be confidential, so the response here has been redacted. A confidential response will be provided outside of SERFF.

### Changed Items:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	L&E Objection 2 Response
<b>Comments:</b>	
<b>Attachment(s):</b>	REDACTED Response to 2025 VT LG Objection #2.pdf Support for 2025 VT LG Objection #2.pdf Support for 2025 VT LG Objection #2.xlsx

### Conclusion:

Sincerely,  
Julia Savasta

SERFF Tracking #:

MVPH-134197798

State Tracking #:

Company Tracking #:

**State:** VermontGMCB **Filing Company:** MVP Health Plan, Inc.  
**TOI/Sub-TOI:** HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS  
**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Response Letter

Response Letter Status Submitted to State  
 Response Letter Date 08/29/2024  
 Submitted Date 08/29/2024

Dear Michael Barber,

### Introduction:

### Response 1

#### Comments:

Please see the attached documents. Note that MVP has determined this information to be confidential, so the response here has been redacted. A confidential response will be provided outside of SERFF.

### Changed Items:

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Supporting Document Schedule Item Changes

<b>Satisfied - Item:</b>	L&E Objection 1 Response
<b>Comments:</b>	
<b>Attachment(s):</b>	REDACTED Response to 2025 VT LG Objection #1.pdf REDACTED Support for 2025 VT LG Objection #1.pdf REDACTED Support for 2025 VT LG Objection #1.xlsx

### Conclusion:

Sincerely,  
Julia Savasta

SERFF Tracking #:

MVPH-134197798

State Tracking #:

Company Tracking #:

**State:** VermontGMCB **Filing Company:** MVP Health Plan, Inc.  
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**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

### Rate Information

Rate data applies to filing.

**Filing Method:** SERFF  
**Rate Change Type:** Increase  
**Overall Percentage of Last Rate Revision:** 2.740%  
**Effective Date of Last Rate Revision:** 01/01/2024  
**Filing Method of Last Filing:** SERFF  
**SERFF Tracking Number of Last Filing:** MVPH-133767802

### Company Rate Information

Company Name:	Company Rate Change:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
MVP Health Plan, Inc.	Increase	11.130%	11.130%	\$1,446,587	9	\$12,994,960	14.530%	8.210%

State: VermontGMCB Filing Company: MVP Health Plan, Inc.  
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 - POS  
 Product Name: VT LG HMO 2025  
 Project Name/Number: /

**Rate Review Detail**

**COMPANY:**

Company Name: MVP Health Plan, Inc.  
 HHS Issuer Id: 77566

**PRODUCTS:**

Product Name	HIOS Product ID	HIOS Submission ID	Number of Covered Lives
Preferred Suite HMO			1589

Trend Factors:

**FORMS:**

New Policy Forms:  
 Affected Forms:  
 Other Affected Forms: VT HMO COC

**REQUESTED RATE CHANGE INFORMATION:**

Change Period: Annual  
 Member Months: 17,661  
 Benefit Change: None  
 Percent Change Requested: Min: 8.21 Max: 14.53 Avg: 11.13

**PRIOR RATE:**

Total Earned Premium: 12,994,960.47  
 Total Incurred Claims: 11,311,763.30  
 Annual \$: Min: 522.66 Max: 822.02 Avg: 681.51

**REQUESTED RATE:**

Projected Earned Premium: 14,441,547.76  
 Projected Incurred Claims: 12,566,742.35  
 Annual \$: Min: 587.92 Max: 910.37 Avg: 757.37

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MVPH-134197798

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Company Tracking #:

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**Product Name:** VT LG HMO 2025  
**Project Name/Number:** /

## Supporting Document Schedules

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Civil Union Rating Requirements
<b>Comments:</b>	MVP's forms comply with 8 V.S.A. § 4724.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Filing Compliance Certification
<b>Comments:</b>	
<b>Attachment(s):</b>	Certification of Compliance - VT 2025.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Third Party Filing Authorization
<b>Bypass Reason:</b>	N/A
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	



**SERFF Tracking #:**

MVPH-134197798

**State Tracking #:****Company Tracking #:****State:**

VermontGMCB

**Filing Company:**

MVP Health Plan, Inc.

**TOI/Sub-TOI:**

HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS

**Product Name:**

VT LG HMO 2025

**Project Name/Number:**

/

<b>Attachment(s):</b>	2025 ACT MEMO VT HMO Large Group.pdf 2025 Experience Rating Formula Filing Exhibits A-C - Vermont.pdf Appendices A- C - 1Q 2025 SERFF.pdf Appendices A- C - 1Q 2025 SERFF.xlsx Impact of Membership Growth_Decline on Experience Pd Claims 2025.pdf Impact of Membership Growth_Decline on Experience Pd Claims 2025.xlsx MVP Health Care - Experience Formula effective 1.1.25_VT.pdf Rolling 12 Medical and Rx Data - 2025 VT LG.pdf Rolling 12 Medical and Rx Data - 2025 VT LG.xlsx VT Experience Rated Addendum - 1Q 2025.pdf VT LG HMO 2025 Rate Filing SERFF.pdf VT LG HMO 2025 Rate Filing SERFF.xlsx
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	L&E Objection 1 Response
<b>Comments:</b>	
<b>Attachment(s):</b>	REDACTED Response to 2025 VT LG Objection #1.pdf REDACTED Support for 2025 VT LG Objection #1.pdf REDACTED Support for 2025 VT LG Objection #1.xlsx
<b>Item Status:</b>	
<b>Status Date:</b>	
<b>Satisfied - Item:</b>	L&E Objection 2 Response
<b>Comments:</b>	
<b>Attachment(s):</b>	REDACTED Response to 2025 VT LG Objection #2.pdf Support for 2025 VT LG Objection #2.pdf Support for 2025 VT LG Objection #2.xlsx
<b>Item Status:</b>	
<b>Status Date:</b>	

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VermontGMCB

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MVP Health Plan, Inc.

TOI/Sub-TOI:

HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS

Product Name:

VT LG HMO 2025

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/

***Attachment Appendices A- C - 1Q 2025 SERFF.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment Impact of Membership Growth\_Decline on Experience Pd Claims 2025.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment Rolling 12 Medical and Rx Data - 2025 VT LG.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment VT LG HMO 2025 Rate Filing SERFF.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment REDACTED Support for 2025 VT LG Objection #1.xlsx is not a PDF document and cannot be reproduced here.***

***Attachment Support for 2025 VT LG Objection #2.xlsx is not a PDF document and cannot be reproduced here.***

**Certification of Compliance**

I hereby certify that I have reviewed the applicable filing requirements for this filing and the filing complies with all applicable statutory and regulatory provisions for the state of Vermont.

**Print Name:** Karla Austen **Title:** Chief Financial Officer & Executive Vice President

**Signature:**



**Date:** 08/13/2024



## ACTUARIAL MEMORANDUM

### 2025 Large Group MVPHP Manual Rate and Addendum Filing

#### Purpose of Filing

The purpose of this filing is to demonstrate the development of manual rates in support of MVP Health Plan's (MVPHP) Large Group HMO product portfolio and seek approval of the manual rates and factors used to develop group specific premium rates. The premium rates included in this filing are for group effective dates between 1/1/2025 and 12/31/2025. The rates are effective for 12 months. This rate filing has been prepared to satisfy the requirements of 8 V.S.A § 5104 and is not intended to be used for other purposes.

#### Scope of Filing

As of April 2024, there are 1,589 members enrolled in Large Group plans on MVPHP. Of these members, 1,445 have a 1<sup>st</sup> quarter renewal, 0 have a 2<sup>nd</sup> quarter renewal, 0 have a 3<sup>rd</sup> quarter renewal, and 144 have a 4<sup>th</sup> quarter renewal.

The overall projected annual revenue change for 1Q 2025 is 11.1% based on MVP's current membership distribution and is driven by two factors which are described below.

- Manual Rate Change: MVP is proposing a quarterly manual rate increase of 6.0% for Q1, followed by 1.6% for each of the subsequent quarters.
- Change in Target Loss Ratio: MVP is slightly decreasing its target loss ratio from 87.05% in the 1Q 2024 filing to 87.02% for this rate filing which is increasing the overall revenue change by 0.08%. The drivers of this change include an increase in the billback amounts paid to the state of Vermont, an increase in the contribution of reserves from 1.5% to 2.0%, and a decrease to the broker load.

Please see the following table for a derivation of the overall revenue change for 1Q to 4Q 2025. It is important to note that the revenue change for all plans under our current distribution of members is 11.1%.

Derivation of Annual Revenue Change Based on Current Membership				
	1Q '25	2Q '25	3Q '25	4Q '25
	Annual	Annual	Annual	Annual
	Increase	Increase	Increase	Increase
<b>Manual Rate Changes</b>	11.0%	11.2%	11.3%	11.4%
Impact of Changes in Target Loss Ratio	0.1%	0.1%	0.1%	0.1%
<b>Proposed Annual Revenue Change</b>	<b>11.1%</b>	<b>11.2%</b>	<b>11.4%</b>	<b>11.5%</b>

#### Experience Period Claims

Large group Vermont claims incurred between May 2023 and April 2024, paid through April 2024 (with incurred estimates updated through June 2024) were the basis of MVP's rate analysis. Fee-for-service (FFS) medical and pharmacy claims were projected to the 1Q 2025 rating period by applying 20 months of trend to the experience period data.

### **Pooling Charge**

To account for volatility in high-cost claims, claims in excess of \$250,000 are being removed from the claim projection and replaced by a pooling charge. The pooling charge of 3.02% is equal to the average percentage of claims over \$250,000 in this block during the past three years (placing equal weight on the rolling 12 month periods of May 2023 – April 2024, May 2022 – April 2023 and May 2021 – April 2022). For a summary of the high-cost claim ratio in recent time periods, please refer to the attached file, “Rolling 12 Medical and Rx Data – LG”.

### **IBNR Factor**

As previously stated, MVP is reflecting an incurred estimate with three months of claim run-out. We have completed the claims using an IBNR factor of 10.5% which is our best estimate of ultimate liabilities as of 6/30/24. MVP uses a combined trended PMPM and completion factor method to value its ultimate claim liabilities. Note that this IBNR model is not exclusive to this block of business, so the paid and incurred claim amounts will not tie out to the experience in the filing. Our emerging unpaid experience indicates that there are high-cost claims that are only attributable to small group, so we have modified the IBNR factor for the entire VT population to reflect these amounts specifically in the small group filing. Please see the following table comparing incurred and paid claim amounts by month for the experience period.

<b>Incurred Month</b>	<b>Paid Claims</b>	<b>Incurred Claims</b>	<b>IBNR Factor</b>
202404	\$3,757,332	\$16,256,563	4.327
202403	\$12,442,256	\$14,891,650	1.197
202402	\$12,719,511	\$13,782,816	1.084
202401	\$13,556,739	\$14,189,659	1.047
202312	\$16,486,008	\$17,104,361	1.038
202311	\$17,088,451	\$17,328,969	1.014
202310	\$16,232,190	\$16,600,880	1.023
202309	\$16,400,405	\$16,455,524	1.003
202308	\$15,735,095	\$15,762,758	1.002
202307	\$14,269,470	\$14,305,666	1.003
202306	\$15,318,147	\$15,791,898	1.031
202305	\$15,772,163	\$15,795,324	1.001
Total	\$169,777,767	\$188,266,069	1.109

### **Development of Manual Rate Increase**

Exhibit 3a demonstrates the development of the proposed 1<sup>st</sup> quarter rate action. The experience period claims include FFS medical claims completed with IBNR, Rx claims, and rebates. Experience period claims were adjusted for the pooling charge.

Several adjustments to the experience period incurred claim costs were necessary to adjust for items not captured in the experience period. The adjustments are explained below.

During the experience period, MVP was responsible for the administration cost of COVID-19 vaccines for all 12 months but began to be responsible for the full ingredient cost of those vaccines starting in September 2023. MVP is projecting the cost for 2025 to be: the experience period utilization of COVID-19 vaccines for all 12 months multiplied by \$140, which represents the full amount for ingredient and administration costs. Therefore, the \$0.27 PMPM value found in line 8 represents the difference between the projected cost and the experience cost.

Hearing aids were added as an essential health benefit in 2024. MVP analyzed historical experience in its New York population and determined this mandate would result in an additional \$0.33 PMPM.

Vermont has mandated coverage of abortions without cost sharing except before the deductible on HDHPs. MVP analyzed its historical experience for all of VT and determined this is worth \$0.03 PMPM.

Because the experience period is a leap year and the rating period is not a leap year, the rating period will have one less day than the experience period. Assuming claims are uniformly distributed among all days in the year, MVP is adjusting the experience period claim expense downward by 0.27% (365 days / 366 days), or \$1.91 PMPM.

Vermont House Bill H.766 is “an act relating to prior authorization and step therapy requirements, health insurance claims, and provider contracts,” and it has the potential to significantly raise the cost of medical claims in the Vermont commercial health insurance market. The Vermont governor approved bill H.890 on 6/28/24, which will push off implementation of some portions of the bill. MVP has assumed the implemented portions of H.766 (which include restrictions on prior authorization, step therapy and pre-payment reviews) will increase trended paid claim expense by 0.9% in the rate filing, consistent with MVP’s 2025 Small Group and Individual Exchange filings. This results in an additional \$5.71 PMPM.

Adjustments are made to the projected net claims cost to account for average industry factor and the impact of membership changes over the experience period.

MVP is making an adjustment to the claim projection for the impact of membership not representing a full 12-month contract over the experience period. Because deductibles are present in most these products, paid claims are suppressed in the early months of a member’s contract and are higher than average in later contract months. Therefore, if the experience period membership is not evenly distributed by contract month, an adjustment to the claim costs should be made to reflect the expected claim costs for a 12-month contract period.

To determine the adjustment factor for the experience period claims cost, MVP used deductible suppression factors which were developed by analyzing commercial claims for members with 12 months of medical and Rx benefit coverage. MVP assumed that allowed claims were uniformly distributed by month and determined the expected paid claim cost for a given month relative to the average paid amount for 12 months. Factors were developed for a number of different deductible levels, and MVP split its experience period membership by these deductible levels to compute the appropriate adjustment factors. This adjustment factor equals 1.009 and can be found in Exhibit 3a. A quantitative derivation of this factor can be found in the file, “Impact of Membership Growth\_Decline on Experience Pd Claims”.

The average age/gender factor of the population in this experience period compared to the prior filing is 1.067. The inverse of this factor was applied to experience period claims which results in a revenue decrease of 6.3%. The age/gender table is included in Appendix B of the file, “Appendices A-C – 1Q 2025.xlsx”.

The industry normalization factor shown on Exhibit 3a was computed using MVP’s census over the experience period along with the industry factors included in Appendix A of the file, “Appendices A-C – 1Q 2025.xlsx” which is included with this SERFF submission. Over the experience period, the average industry factor was 1.030. To neutralize the impact of this factor on the required rate change, MVP is multiplying the 1Q 2025 claim projection times the reciprocal of this factor.

### **Medical Trend Factors**

The development of annual medical paid claim trend factors for 1Q 2025 is illustrated in Exhibit 2a. MVP is reflecting 0.5% medical utilization trends in the current filing, and the assumed unit cost trends reflect known and assumed price increases from MVP’s provider network as of the filing date.

MVP analyzed historical medical utilization trends for its VT block of business and determined that a 0.5% annual utilization trend would be reasonable and appropriate.

The assumed unit cost trends reflect known and assumed price increases from MVP’s provider network. The 2024 unit cost trends for VT hospitals reflect the approved Green Mountain Care Board hospital budgets. Please see Exhibit 2a for the unit cost trends by claim category by year. The 2025 unit cost trends for VT hospitals reflect the proposed commercial rate requests from the hospitals to the GMCB. MVP’s unit cost trends for non-VT providers for both years reflect the best estimate of MVP’s contract negotiations. MVP has assumed that the 2026 annual trend is equal to the 2025 trend, as we lack information on unit cost trends for 2026 at this time.

In addition to the medical cost inflation rate assumed from the historical experience period to the rating period, an adjustment is needed to reflect the impact of cost share leveraging on the carrier’s share of the medical cost. Leveraging is a result of the fixed nature of deductibles and copays in health benefit plans. When there are fixed member deductibles and copays, the carrier bears a greater portion of the cost of medical inflation. Therefore, an additional factor adjustment is made to the trend assumption to capture this cost.

The trend applied to the deductible portion of the experience period was derived using the distribution of claims for MVP’s VT book of business. Claims below the average deductible amount over the experience period were trended at the applicable allowed trend rate while claims greater than the deductible were held flat.

**Rx Trend Factors**

Annual Rx trend factors split by generic, brand and specialty drugs are illustrated in Exhibit 2a. These trend factors were supplied by MVP’s pharmacy benefit manager (PBM) and reflect their best estimate of expected changes to pharmacy costs and drug utilization, given MVP’s data as a starting point. Supporting documentation illustrating how the Rx trends shown on Exhibit 2a were converted to paid trends for 1Q 2025 can be found in Exhibit 2b.

The PBM has provided trends for 2024, 2025, and 2026. The trend forecast provided by MVP’s PBM accounts for drugs coming off patent, changes in average wholesale price, new drugs being released to the market, and price competitiveness amongst generic and brand drug manufacturers. Please see the following table which displays MVP’s pharmacy trends in this filing.

<b>Rx Trends Used in 2025 MVP VT Large Group Filing</b>						
	2024/2023 Trend		2025/2024 Trend		2026/2025 Trend	
	Unit Cost	Utilization	Unit Cost	Utilization	Unit Cost	Utilization
Generic	-7.6%	3.9%	1.3%	2.6%	4.3%	2.8%
Brand	10.8%	-6.7%	4.5%	3.7%	3.8%	1.2%
Specialty	-0.8%	9.8%	3.8%	7.1%	3.3%	7.5%

Please see the attached file, “Rolling 12 Medical and Rx Data - LG.xlsx” which contains a rolling 12-month summary of total Rx claim costs as well as Rx data broken out by Generic, Brand, and Specialty.

The annual paid claim trend projection factor on Exhibit 3a represents the blended FFS annual trend projection. To arrive at the blended trend projection, the following calculation is performed: [ Annual Paid Medical Trend ^ (20/12) \* Experience Period Incurred Medical Claims + Annual Paid Rx Trend Net of Rebates ^ (20/12) \* Experience Period Rx Claims (Net of Rebates) ] / [Experience Period Incurred Medical Claims + Experience Period Rx Claims (Net of Rebates)] ^ (12/20). The annual trend is then applied for 20 months to move the experience period data from the experience period to the rating period.

An adjustment to the claim projection is made to account for New York’s HCRA Surcharge. The New York HCRA Surcharge included in the claim projection is based only on claims paid for services performed by New York hospitals. The load for this surcharge equals 0.15% and is based on historical HCRA fees incurred by Vermont members.

**Non-FFS Claim Expense**

Non-FFS claim expenses and capitation expenses are added to the claim projection. Please see the following table for a summary of non-FFS and capitation expenses reflected in MVP’s rate development for this filing.

<b>Summary of Capitations and Non-FRDM Claim Expenses</b>	
Other Medical Expenses not in claim warehouse	\$1.96
Net Reinsurance Expense	\$1.94
Medical Home and PCP Incentive	\$2.93
Well-Being Reimbursement	\$6.80
Claim Settlements to Providers	\$4.04
<b>Total</b>	<b>\$17.68</b>

The expected non-FFS medical expenses added to the claim projection reflect costs associated with net reinsurance expense, PCP incentive payments and Medical Home, and other miscellaneous MVP claim expenses not included in the historical experience period data such as manual checks and Massachusetts surcharges. The Other Medical Expense data is comprised of data for all Vermont group sizes and companies (MVPHP and MVPHIC) in order to minimize random variation in this block of business.

*Net Reinsurance Expense*

MVP has experienced recoveries across all its lines of business that have outpaced reinsurance premiums paid for the past couple of years. Because of this, MVP is anticipating that reinsurance premiums will be significantly increasing in 2025. The net reinsurance expense reflected here is the projected reinsurance premium paid for VT commercial members in 2025 less 2023 actual recoveries for VT commercial members.

*Well-Being Reimbursement*

MVP offers a program where members can submit for up to \$600 in reimbursement for activities in the following four domains: Social, Surroundings, Physical, and Mind and Spirit. This iteration of MVP’s wellness benefit began in 2023. In the 2024 rate filing, MVP included the claims incurred in the experience period under the old program in its fee for service paid medical claims and did not include any trend for the program. MVP saw a large increase in utilization under the new program as compared to the old one, and so we are reflecting the rewards in this table in the 2025 filing in order to account for them outside of our normal trend. From 2022 to 2023, the expense related to this program has increased over 600% (from \$0.23 PMPM to \$1.47 PMPM). MVP’s expectation is that the utilization of this program will continue to grow, given its initial popularity, the broad range of categories from which members can submit for reimbursement, and the method which MVP has chosen to allow members to submit for reimbursement. Therefore, MVP has assumed a 20% annual trend from the experience period to 2025 in this rate filing to account for increased utilization of the program.

*Claim Settlements to Providers*

MVP paid \$1.3 million to providers in 2023 for claim settlements outside of our fee for service claim system. Because of the nature of these settlements, they should be considered claim expense and accounted for in our base period experience (and trended appropriately into the rating period). MVP has trended the experience period PMPM using the unit cost trends for the providers to which the payments were made.



### **Adjustment to Manual Rate for Credibility**

MVP's VT Large Group population has experienced significant volatility in recent years and currently has fewer members than a group that would receive full credibility using our credibility table. For this reason, MVP has chosen to supplement the experience period data with an alternate approach: using the currently filed manual rates, adjusted for trend and other business changes. Specifically, Line 23, the Total Normalized Claim Cost for Prior Year, is calculated as:

Projected Net Revenue Collected at Q4 2024 Rate Level TIMES  
1 Quarter of Annual Paid Claim Trend (to move Q4 2024 revenue to Q1 2025) TIMES  
Adjustment for H.766 (1.009, not reflected in the Q4 2024 revenue)

Other adjustments made to the experience period data are assumed to already be reflected within the Projected Net Revenue Collected at Q4 2024 Rate Level.

We have given the Normalized Claim Cost that is produced 75% credibility. The remaining 25% credibility is applied to the Total Normalized Claim Cost for Prior Year. To arrive at the data suggested quarterly rate change for 1Q 2025, the total credibility weighted net claim projection is compared to the 4Q 2024 manual rate that would be collected for the experience period enrollment to indicate the suggested quarterly manual rate change.

MVP has also developed 2Q 2025 to 4Q 2025 manual rates for this rate filing. Please see Exhibit 3b which applies one additional quarter of trend to the projected claims on Exhibit 3a. Comparing the 2Q 2025 projected claims to the 1Q 2025 claim projection determines the quarterly manual rate change, and similarly for 3Q 2025 and 4Q 2025.

### **Retention Expenses**

Retention expenses are outlined in the attached Addendum. The following table represents MVP's Large Group administrative expenses as filed in the Supplemental Health Care Exhibit over the past four years:

<b>Administrative Expense Summary - Data Taken from Supplemental Health Care Exhibit</b>				
	VT Large Group – MVPHIC & MVPHP			Admin Expense
	Member Months	Premium PMPM	Admin PMPM	Ratio
2020	23,424	\$540.97	\$38.45	7.1%
2021	25,201	\$568.90	\$47.93	8.4%
2022	22,029	\$584.72	\$43.89	7.5%
2023	18,033	\$679.85	\$50.78	7.5%

Admin PMPM reflects the following lines from Part I of the SHCE: 6.6, 8.3, 10.1, and 10.4

The following taxes/assessments are included in the attached Addendum:

#### *VT Paid Claim Tax*

The State of Vermont charges a 0.999% tax on paid claims.

#### *18 V.S.A § 9374 (h)(1) Billback*

\$2.53 PMPM is added for fees MVP must pay to the State of Vermont to help fund expenses incurred by state agencies and other non-profit organizations on MVP's behalf, including the Green Mountain Care Board, the Vermont Program for Quality in Health Care, Inc. and the Office of the Health Care Advocate. This is found by using the best available information about the market-wide cost of each of the programs and then accounting for MVP's change in market share from 2023 to 2025.

### *VT Vaccine Pilot*

Based on information provided by the Vermont Vaccine Purchasing Program (VVPP), MVP's rates are \$10.66 per covered child and \$1.54 per covered adult for 2025, followed by an estimate of \$15.31 per covered child and \$2.55 per covered adult for 2026. Based on a blend of MVP's child and adult membership in the projection period, the total PMPM costs were determined for each year and given an equal weight, resulting in a \$3.68 PMPM. This blended PMPM was then compared to the projection period premium PMPM to convert the assessment to a percent of premium load of 0.49%.

### **Loss Ratio Information**

The traditional target loss ratio (claims cost / premium) for the manual rates proposed in this rate filing is 87.0%. After adjusting for taxes/assessments and expenses associated with quality improvements, the Federal target loss ratio for the rates proposed in this filing is 88.2%. Please see the following table for more detail:

<b>Target Loss Ratio for LG VT in 1Q 2025</b>	
	<b>Large Group VT</b>
A) Claims Expense	\$668.47
B) Taxes/Assessments	\$6.56
C) Quality Improvement	\$3.60
D) Premium	\$768.20
E) Traditional Loss Ratio = A) / D)	<b>87.0%</b>
F) Federal Loss Ratio = [A) + C]) / [D) - B])	<b>88.2%</b>

### **Supplemental Exhibits**

Also included with this filing is a historical claim and membership summary for the past 36 months grouped into rolling 12-month periods. Incurred claims from May 2021 – April 2024 completed through June 2024 are reflected in the data.

### **Re-Sloping of Benefits**

MVP has used its proprietary benefit relativity model to update the relativities for all existing plan offerings. Exhibit 3c shows the 4Q2024 net required revenue before and after the benefit re-sloping for all medical/pharmacy/safe harbor plan combinations along with the membership for the plan. The membership weighted net required revenue after adjusting the relativities is equal to before, ensuring revenue neutrality.

### **Addendum/Formula Changes**

In addition to the changes listed above to trends and retention components, MVP has made the following changes to its addendum and formula for 2025:

#### *Removal of Lower Pooling Points*

MVP has removed lower pooling points from its pooling charge table that have not been used in recent years. The rest of the pooling charges have been updated to mirror the charges used in MVP's New York large group experience rated block for areas outside of the New York City metro region.

#### *Removal of COVID-19 from Risk Assessment*

MVP has removed the 0% to 6% possible adjustment for "Vaccination Cost, Testing Cost and Utilization Impact of COVID-19" from the Group Risk Assessment calculation.

### *Covered Lives Assessment*

MVP pays a Covered Lives Assessment for members whose primary address is in New York regardless of what state their group is insured in. This assessment varies by region and contract. MVP has assumed a 5% increase on 2025 compared to 2024 rates, which is consistent with prior filings and historical increases.

### *Formula Change- Section V*

MVP has made a change to the Experience Formula in Section V. The following sentence has been modified with the new clause (bolded/italicized here for effect):

In order to accommodate requests for this funding arrangement by groups with known ongoing high cost risks, claimants may be identified for exclusion from pooling on the settlement ***or pooling may be removed from the settlement*** at the time of the quote.

MVP does not have any groups that are currently retrospectively rated and therefore does not anticipate any revenue change from this modification.

### **New Products**

MVP is not offering any new base products to this market in 2025.

### **Retired Products**

MVP is not retiring any base products in Vermont in 2025.

The corresponding form filing (SERFF tracking number MVPH-134200800) has been filed but has not been approved. MVP has received approval from the Vermont Department of Financial Regulation to file these manual rates pending review of the forms. We reserve the right to change the manual rates if material changes are made to the plans in the form review process.

### **Actuarial Certification**

I, Matthew Lombardo, am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries. I have examined the assumptions and methods used in determining MVP's requested rates. Based on my review and examination, it is my opinion that the proposed premium rates are reasonable in relation to the benefits provided and that they are not excessive, inadequate, nor unfairly discriminatory. This rate filing conforms to the applicable Standards of Practice as promulgated by the Actuarial Standards Board.



Matthew Lombardo, FSA, MAAA  
Chief Actuary  
MVP Health Care

08/13/2024

Date

**MVP Health Care - Large Group Experience Rating Formula**

<b>I. Case Information</b>		Date: <input type="text"/>	
Group Name:	<input type="text"/>	Effective Date:	<input type="text"/>
Group #:	<input type="text"/>		<input type="text"/>
Marketing Rep:	<input type="text"/>		
Underwriter:	<input type="text"/>		
<b>II. Manual Pure Premium Calculation</b>		<b>Medical w/ Non-Pharmacy Riders</b>	<b>Pharmacy</b>
1 - Manual Pure Premium	Addendum Value		Addendum Value
2 - Industry Factor	Addendum Value		Addendum Value
3 - Demographic Factor	Addendum Value		Addendum Value
4 - Manual Group Risk Assessment	Addendum Value		Addendum Value
5 - HRA/HSA Funding Load Factor	Addendum Value		Addendum Value
6 - Adjusted Manual Pure Premium	1 x 2 x 3 x 4 x 5		1 x 2 x 3 x 4 x 5
			<b>Total PMPM</b>
<b>III. Experience Pure Premium Calculation</b>			
Experience Period Start Date	Input		Input
Experience Period End Date	Input		Input
Paid Through Date	Input		Input
Midpoint of Experience Period	Input		Input
Product Reflected in Experience	Input		Input
Product in the Rate Quote	Input		Input
Member Months	Input		Input
Out-of-Area Subscribers	Input		n/a
<b>Claims Information</b>			
1 - Date of Service Paid Claims	Input		Input
2 - Composite Completion Factor Adjustment	Input		Input
3 - Incurred Claims	1x2		1x2
4 - Other non fee for service medical expenses	Input		n/a
5 - Pooling Level (PL)	Addendum Value		Addendum Value
6 - Actual Large Claims (Excess Over PL)	Input		Input
7 - Pharmacy Rebate Factor	n/a		Addendum Value
8 - Incurred Claims Less Large Claims	3+4-6		(3 - 6) * 7
9 - Trend Factor to MP of Projection Period	Addendum Value		Addendum Value
10 - Trended Net Claims	8x9		8x9
11 - Trended pmpm Net Claims	10 / membermonths		10 / membermonths
<b>Experience Adjustments</b>			
12 - Demographic Adjustment (Carrier Replacement Only)	Addendum Value		Addendum Value
13 - Prior Period Adjustment, if applicable	Value from Exhibit B		Value from Exhibit B
14 - Network Adjustment Factor	Addendum Value		n/a
15 - Benefit Adjustment	Addendum Value		Addendum Value
16 - Pooling Charge %	Addendum Value		Addendum Value
17 - Adjusted pmpm Net Claims	product(11 thru 15) x (1+16)		product(11 thru 15) x (1+16)
18 - Covered Lives Assessment	Addendum Value		n/a
19 - Indigent Care	Addendum Value		n/a
20 - Experience Pure Premium	17 + 18 + 19		17
<b>IV. Employer Specific Premium Rates</b>		<b>Total</b>	
<b>Blending the Manual Pure Premium and Experience</b>			
1 - Adjusted Manual Pure Premium	6 From Section II		
2 - Experience Pure Premium	20 From Section III		
3 - Experience Credibility Weight	Addendum Value		
4 - Blended Pure Premium	2x3 + 1x(100%-3)		
5 - Group Risk Assessment Factor	Addendum Value		
6 - New Business Discount	Addendum Value		
7 - Retrospective Financial Underwriting Factor	Addendum Value		
8 - Network Access Fee	Addendum Value		
9 - Retention Charges excluding Premium Tax	Addendum Value		
10 - Premium Taxes	Addendum Value		
11 - Group Required Pure Premium	4x5x6x7+8+9+10		
<b>Premium Rate Development</b>			
	<u>Single</u>	<u>EE/SP</u>	<u>EE/Ch(ren)</u>
12 - Employer Specific Loading Factors	Based on the Group's specific rate ratios/census		
13 - Final Premium Rates	11 x 12	11 x 12	11 x 12
			11 x 12
<b>V. Minimum Premium Funding</b>		<u>Single</u>	<u>EE/SP</u>
1 - Final Premium Rates	From Section IV, line 13	<u>EE/Ch(ren)</u>	<u>Family</u>
2 - Retention Rate	From Section IV., lines 9 + 10 x Employer Specific Loading Factors		
3 - Claims Liability Rate	1-2		
4 - Claims Fluctuation Margin	Addendum Value		
5 - Maximum Monthly Premium Liability	3X4		

**MVP Health Care - Large Group Experience Rating Formula - Two Periods of Experience calculation**

Group Name:	<input type="text" value="Input"/>	Date:	<input type="text" value="Input"/>
Group #:	<input type="text" value="Input"/>	Effective Date:	<input type="text" value="Input"/>
Marketing Rep:	<input type="text" value="Input"/>		
Underwriter:	<input type="text" value="Input"/>		

	Medical Claims		Pharmacy Claims	
	Period 1	Period 2	Period 1	Period 2
Experience Period Start Date	Input	Input	Input	Input
Experience Period End Date	Input	Input	Input	Input
Paid Through Date	Input	Input	Input	Input
Midpoint of Experience Period	Input	Input	Input	Input
Product Reflected in Experience	Input	Input	Input	Input
Product in the Rate Quote	Input	Input	Input	Input
Member Months	Input	Input	Input	Input
<b>Claims Information</b>				
1 - Date of Service Paid Claims	Input	Input	Input	Input
2 - Composite Completion Factor Adjustment	Input	Input	Input	Input
3 - Incurred Claims	1x2	1x2	1x2	1x2
4 - Other non fee for service medical expenses	Input	Input	n/a	n/a
5 - Pooling Level (PL)	Addendum Value	Addendum Value	Addendum Value	Addendum Value
6 - Actual Large Claims (Excess Over PL)	Input	Input	Input	Input
7 - Pharmacy Rebate Factor	n/a	n/a	Addendum Value	Addendum Value
8 - Incurred Claims Less Large Claims	3+4-6	3+4-6	(3 - 6) * 7	(3 - 6) * 7
9 - Trend Factor to MP of Projection Period	Addendum Value	Addendum Value	Addendum Value	Addendum Value
10 - Regional Trend Adjustment Factor	Addendum Value	n/a	Addendum Value	n/a
11 - Trended Net Claims	8x9x10	8x9x10	8x9x10	8x9x10
12 - Trended pmprn Net Claims	11 / membermonths	11 / membermonths	11 / membermonths	11 / membermonths
<b>Experience Adjustments</b>				
13 - Demographic Adjustment (Carrier Replacement Only)	Addendum Value	Addendum Value	Addendum Value	Addendum Value
14 - Network Adjustment Factor	Addendum Value	Addendum Value	Addendum Value	Addendum Value
15 - Benefit Adjustment	Addendum Value	Addendum Value	Addendum Value	Addendum Value
16 - Pooling Charge %	Addendum Value	Addendum Value	n/a	n/a
17 - Adjusted pmprn Net Claims	product(12 thru 15) x (1+16)	product(12 thru 15) x (1+16)	product(12 thru 15) x (1+16)	product(12 thru 15) x (1+16)
Period Weight	Addendum Value	Addendum Value	Addendum Value	Addendum Value
Prior Period Adjustment Factor	P1 and P2 Weighted Average line 17 / P1 line 17		P1 and P2 Weighted Average line 17 / P1 line 17	

**MVP Health Care - Large Group Experience Rating Formula - Collective Arrangements**

Collective Name: <input style="width: 100%;" type="text" value="Input"/> Collective Group #: <input style="width: 100%;" type="text" value="Input"/> Marketing Rep: <input style="width: 100%;" type="text" value="Input"/> Underwriter: <input style="width: 100%;" type="text" value="Input"/>	Date: <input style="width: 100%;" type="text" value="Input"/> Effective Date: <input style="width: 100%;" type="text" value="Input"/>
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	Subgroup #1	Subgroup #2	Subgroup #3	Subgroup #4	Subgroup #5	Total Collective Rate
<b>Step I - Subgroup Specific Premiums</b>						
1 - Subgroup Experience Period Member Months	<i>Input</i>	<i>Input</i>	<i>Input</i>	<i>Input</i>	<i>Input</i>	<i>Sum of Subgroup MMs</i>
2 - Subgroup Specific Premium Rate PMPM	<i>Computed using Exhibit A, assuming 100% credibility and removing claims above subgroup pooling level</i>					<i>Sumproduct (1) * (2) / Sum (1)</i>
<b>Step II - Collective Total Premium</b>						
3 - Collective Group Rate PMPM	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>Exhibit A</i>
<b>Step III - Final Subgroup Premiums</b>						
4 - Difference in Total Premium PMPM	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>(3) - (2)</i>
5 - Subgroup Specific Premium PMPM	<i>Subgroup #1 (2) + Total Collective (4)</i>	<i>Subgroup #2 (2) + Total Collective (4)</i>	<i>Subgroup #3 (2) + Total Collective (4)</i>	<i>Subgroup #4 (2) + Total Collective (4)</i>	<i>Subgroup #5 (2) + Total Collective (4)</i>	<i>N/A</i>

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
111	Wheat	0.90
112	Rice	0.90
115	Corn	0.90
116	Soybeans	0.90
119	Cash Grains, NEC	0.90
131	Cotton	0.90
132	Tobacco	0.90
133	Sugarcane and Sugar Beets	0.90
134	Irish Potatoes	0.90
139	Field Crops, Except Cash Grains, NEC	0.90
161	Vegetables and Melons	0.90
171	Berry Crops	0.90
172	Grapes	0.90
173	Tree Nuts	0.90
174	Citrus Fruits	0.90
175	Deciduous Tree Fruits	0.90
179	Fruits and Tree Nuts, NEC	0.90
181	Ornamental Floriculture and Nursery Products	0.90
182	Food Crops Grown Under Cover	0.90
191	General Farms, Primarily Crop	0.90
211	Beef Cattle Feedlots	0.95
212	Beef Cattle, Except Feedlots	0.95
213	Hogs	0.95
214	Sheep and Goats	0.95
219	General Livestock, Except Dairy and Poultry	1.00
241	Dairy Farms	1.00
251	Broiler, Fryers, and Roaster Chickens	0.95
252	Chicken Eggs	0.95
253	Turkey and Turkey Eggs	0.95
254	Poultry Hatcheries	0.95
259	Poultry and Eggs, NEC	0.95
271	Fur-Bearing Animals and Rabbits	0.95
272	Horses and Other Equines	0.95
273	Animal Aquaculture	0.95
279	Animal Specialities, NEC	0.95
291	General Farms, Primarily Livestock and Animal Specialities	1.00
711	Soil Preparation Services	0.95
721	Crop Planting, Cultivating, and Protecting	0.95
722	Crop Harvesting, Primarily by Machine	0.95
723	Crop Preparation Services For Market, except Cotton Ginning	0.95
724	Cotton Ginning	0.95
741	Veterinary Services For Livestock	0.95
742	Veterinary Services for Animal Specialities	0.95
751	Livestock Services, Except Veterinary	1.00
752	Animal Specialty Services, Except Veterinary	0.95
761	Farm Labor Contractors and Crew Leaders	0.95
762	Farm Management Services	0.95
781	Landscape Counseling and Planning	0.90
782	Lawn and Garden Services	1.10
783	Ornamental Shrub and Tree Services	1.10
811	Timber Tracts	0.90
831	Forest Nurseries and Gathering of Forest Products	0.90
851	Forestry Services	0.95
912	Finfish	1.05
913	Shellfish	1.05

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
919	Miscellaneous Marine Products	0.95
921	Fish Hatcheries and Preserves	0.95
971	Hunting and Trapping, and Game Propagation	0.95
1011	Iron Ores	1.15
1021	Copper Ores	1.15
1031	Lead and Zinc Ores	1.15
1041	Gold Ores	1.15
1044	Silver Ores	1.15
1061	Ferroalloy Ores, Except Vanadium	1.15
1081	Metal Mining Services	1.05
1094	Uranium-Radium-Vanadium Ores	1.15
1099	Miscellaneous Metal Ores, NEC	1.15
1221	Bituminous Coal and Lignite Surface Mining	1.15
1222	Bituminous Coal Underground Mining	1.15
1231	Anthracite Mining	1.15
1241	Coal Mining Services	1.15
1311	Crude Petroleum and Natural Gas	1.05
1321	Natural Gas Liquids	1.05
1381	Drilling Oil and Gas Wells	1.05
1382	Oil and Gas Field Exploration Services	0.95
1389	Oil and Gas Field Services, NEC	1.05
1411	Dimension Stone	1.15
1422	Crushed and Broken Limestone	1.15
1423	Crushed and Broken Granite	1.15
1429	Crushed and Broken Stone, NEC	1.15
1442	Construction Sand and Gravel	1.15
1446	Industrial Sand	1.15
1455	Kaolin and Ball Clay	1.15
1459	Clay, Ceramic, and Refractory Minerals, NEC	1.15
1474	Potash, Soda, and Borate Minerals	1.15
1475	Phosphate Rock	1.15
1479	Chemical and Fertilizer Mineral Mining, NEC	1.15
1481	Nonmetallic Minerals Services Except Fuels	1.05
1499	Miscellaneous Nonmetallic Minerals, Except Fuels	1.15
1521	General Contractors-Single-Family Houses	0.95
1522	General Contractors-Residential Buildings, Other Than Single-Family	1.00
1531	Operative Builders	1.00
1541	General Contractors-Industrial Buildings and Warehouses	1.00
1542	General Contractors-Nonresidential Buildings, Other than Industrial Buildings and Warehouses	1.00
1611	Highway and Street Construction, Except Elevated Highways	1.00
1622	Bridge, Tunnel, and Elevated Highway Construction	1.00
1623	Water, Sewer, Pipeline, and Communications and Power Line Construction	1.00
1629	Heavy Construction, NEC	1.00
1711	Plumbing, Heating, and Air-Conditioning	1.00
1721	Painting and Paper Hanging	1.00
1731	Electrical Work	1.00
1741	Masonry, Stone Setting, and Other Stone Work	1.00
1742	Plastering, Drywall, Acoustical, and Insulation Work	1.00
1743	Terrazzo, Tile, Marble, and Mosaic Work	1.00
1751	Carpentry Work	1.00
1752	Floor Laying and Other Floor Work, NEC	1.00
1761	Roofing, Siding, and Sheet Metal Work	1.00
1771	Concrete Work	1.00
1781	Water Well Drilling	1.00
1791	Structural Steel Erection	1.00



**Appendix A**

<b>SIC Codes and Industry Factors</b>		
<b>SIC</b>	<b>SIC Description</b>	<b>SIC Fx</b>
1793	Glass and Glazing Work	1.00
1794	Excavation Work	1.00
1795	Wrecking and Demolition Work	1.00
1796	Installation or Erection of Building Equipment, NEC	1.00
1799	Special Trade Contractors, NEC	1.00
2011	Meat Packing Plants	1.05
2013	Sausages and Other Prepared Meats	1.05
2015	Poultry Slaughtering and Processing	1.00
2021	Creamery Butter	0.95
2022	Natural, Processed, and Imitation Cheese	0.95
2023	Dry, Condensed, and Evaporated Dairy Products	0.95
2024	Ice Cream and Frozen Desserts	0.95
2026	Fluid Milk	0.95
2032	Canned Specialties	0.95
2033	Canned Fruits, Vegetables, Preserves, Jams, and Jellies	0.95
2034	Dried and Dehydrated Fruits, Vegetables, and Soup Mixes	0.95
2035	Pickled Fruits and Vegetables, Vegetable Sauces and Seasonings, and Salad Dressings	0.95
2037	Frozen Fruits, Fruit Juices, and Vegetables	0.95
2038	Frozen Specialties, NEC	0.95
2041	Flour and Other Grain Mill Products	0.95
2043	Cereal Breakfast Foods	0.95
2044	Rice Milling	0.95
2045	Prepared Flour Mixes and Doughs	0.95
2046	Wet Corn Milling	0.95
2047	Dog and Cat Food	0.95
2048	Prepared Feed and Feed Ingredients for Animals and Fowls, Except Dogs and Cats	0.95
2051	Bread and Other Bakery Products, Except Cookies and Crackers	0.95
2052	Cookies and Crackers	0.95
2053	Frozen Bakery Products, Except Bread	0.95
2061	Cane Sugar, Except Refining	0.95
2062	Cane Sugar Refining	0.95
2063	Beet Sugar	0.95
2064	Candy and Other Confectionery Products	0.95
2066	Chocolate and Cocoa Products	0.95
2067	Chewing Gum	0.95
2068	Salted and Roasted Nuts and Seeds	0.95
2074	Cottonseed Oil Mills	0.95
2075	Soybean Oil Mills	0.95
2076	Vegetable Oil Mills, Except Corn, Cottonseed, and Soybeans	0.95
2077	Animal and Marine Fats and Oils	1.00
2079	Shortening, Table Oils, Margarine, and Other Edible Fats and Oils, NEC	0.95
2082	Malt Beverages	0.95
2083	Malt	0.95
2084	Wines, Brandy, and Brandy Spirits	0.95
2085	Distilled and Blended Liquors	0.95
2086	Bottled and Canned Soft Drinks and Carbonated Waters	0.95
2087	Flavoring Extracts and Flavoring Syrups NEC	0.95
2091	Canned and Cured Fish and Seafood	0.95
2092	Prepared Fresh or Frozen Fish and Seafoods	0.95
2095	Roasted Coffee	0.95
2096	Potato Chips, Corn Chips, and Similar Snacks	0.95
2097	Manufactured Ice	0.95
2098	Macaroni, Spaghetti, Vermicelli, and Noodles	0.95
2099	Food Preparations, NEC	0.95
2111	Cigarettes	1.05

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
2121	Cigars	1.05
2131	Chewing and Smoking Tobacco and Snuff	1.05
2141	Tobacco Stemming and Redrying	1.05
2211	Broadwoven Fabric Mills, Cotton	0.95
2221	Broadwoven Fabric Mills, Manmade Fiber and Silk	0.95
2231	Broadwoven Fabric Mills, Wool (Including Dyeing and Finishing)	0.95
2241	Narrow Fabric and Other Smallware Mills: Cotton, Wool, Silk, and Manmade Fiber	0.95
2251	Women's Full-Length and Knee-Length Hosiery, Except Socks	1.00
2252	Hosiery, NEC	1.00
2253	Knit Outerwear Mills	1.00
2254	Knit Underwear and Nightwear Mills	1.00
2257	Weft Knit Fabric Mills	0.95
2258	Lace and Warp Knit Fabric Mills	0.95
2259	Knitting Mills, NEC	0.95
2261	Finishers of Broadwoven Fabrics of Cotton	0.95
2262	Finishers of Broadwoven Fabrics of Manmade Fiber and Silk	0.95
2269	Finishers of Textiles, NEC	0.95
2273	Carpets and Rugs	0.95
2281	Yarn Spinning Mills	0.95
2282	Yarn Texturizing, Throwing, Twisting, and Winding Mills	0.95
2284	Thread Mills	0.95
2295	Coated Fabrics, Not Rubberized	0.95
2296	Tire Cord and Fabrics	0.95
2297	Nonwoven Fabrics	0.95
2298	Cordage and Twine	0.95
2299	Textile Goods, NEC	0.95
2311	Men's and Boys' Suits, Coats, and Overcoats	1.00
2321	Men's and Boys' Shirts, Except Work Shirts	1.00
2322	Men's and Boys' Underwear and Nightwear	1.00
2323	Men's and Boys' Neckwear	1.00
2325	Men's and Boys' Trousers and Slacks	1.00
2326	Men's and Boys' Work Clothing	1.00
2329	Men's and Boys' Clothing, NEC	1.00
2331	Women's, Misses', and Juniors' Blouses and Shirts	1.00
2335	Women's, Misses', and Juniors' Dresses	1.00
2337	Women's, Misses' and Juniors' Suits, Skirts, and Coats	1.00
2339	Women's, Misses', and Juniors' Outerwear, NEC	1.00
2341	Women's, Misses', Children's, and Infants' Underwear and Nightwear	1.00
2342	Brassieres, Girdles, and Allied Garments	1.00
2353	Hats, Caps, and Millinery	1.00
2361	Girls', Children's, and Infants' Dresses, Blouses, and Shirts	1.00
2369	Girls', Children's, and Infants' Outerwear, NEC	1.00
2371	Fur Goods	1.00
2381	Dress and Work Gloves, Except Knit and All-Leather	1.00
2384	Robes and Dressing Gowns	1.00
2385	Waterproof Outerwear	1.00
2386	Leather and Sheep-Lined Clothing	1.00
2387	Apparel Belts	1.00
2389	Apparel and Accessories, NEC	1.00
2391	Curtains and Draperies	1.00
2392	Housefurnishings, Except Curtains and Draperies	0.95
2393	Textile Bags	0.95
2394	Canvas and Related Products	0.95
2395	Pleating, Decorative and Novelty Stitching, and Tucking for the Trade	1.00
2396	Automotive Trimmings, Apparel Findings, and Related Products	0.95

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
2397	Schiffli Machine Embroideries	0.95
2399	Fabricated Textile Products, NEC	1.00
2411	Logging	1.15
2421	Sawmills and Planing Mills, General	1.15
2426	Hardwood Dimension and Flooring Mills	1.15
2429	Special Product Sawmills, NEC	1.15
2431	Millwork	1.10
2434	Wood Kitchen Cabinets	0.95
2435	Hardwood Veneer and Plywood	1.00
2436	Softwood Veneer and Plywood	1.00
2439	Structural Wood Members, NEC	1.00
2441	Nailed and Lock Corner Wood Boxes and Shook	1.00
2448	Wood Pallets and Skids	1.00
2449	Wood Containers, NEC	1.00
2451	Mobile Homes	1.00
2452	Prefabricated Wood Buildings and Components	1.00
2491	Wood Preserving	1.00
2493	Reconstituted Wood Products	1.00
2499	Wood Products, NEC	1.00
2511	Wood Household Furniture, Except Upholstered	0.95
2512	Wood Household Furniture, Upholstered	0.95
2514	Metal Household Furniture	0.95
2515	Mattresses, Foundations, and Convertible Beds	0.95
2517	Wood Television, Radio, Phonograph and Sewing Machine Cabinets	0.95
2519	Household Furniture, NEC	0.95
2521	Wood Office Furniture	0.95
2522	Office Furniture, Except Wood	0.95
2531	Public Building and Related Furniture	0.95
2541	Wood Office and Store Fixtures, Partitions, Shelving, and Lockers	0.95
2542	Office and Store Fixtures, Partitions, Shelving, and Lockers, Except Wood	0.95
2591	Drapery Hardware and Window Blinds and Shades	0.95
2599	Furniture and Fixtures, NEC	0.95
2611	Pulp Mills	0.95
2621	Paper Mills	0.95
2631	Paperboard Mills	0.95
2652	Setup Paperboard Boxes	0.95
2653	Corrugated and Solid Fiber Boxes	0.95
2655	Fiber Cans, Tubes, Drums, and Similar Products	0.95
2656	Sanitary Food Containers, Except Folding	0.95
2657	Folding Paperboard Boxes, Including Sanitary	0.95
2671	Packaging Paper and Plastics Film, Coated and Laminated	0.95
2672	Coated and Laminated Paper, NEC	0.95
2673	Plastics, Foil, and Coated Paper Bags	0.95
2674	Uncoated Paper and Multiwall Bags	0.95
2675	Die-Cut Paper and Paperboard and Cardboard	0.95
2676	Sanitary Paper Products	0.95
2677	Envelopes	0.95
2678	Stationery, Tablets, and Related Products	0.95
2679	Converted Paper and Paperboard Products, NEC	0.95
2711	Newspapers: Publishing, or Publishing and Printing	0.90
2721	Periodicals: Publishing, or Publishing and Printing	0.90
2731	Books: Publishing, or Publishing and Printing	0.95
2732	Book Printing	0.90
2741	Miscellaneous Publishing	0.90
2752	Commercial Printing, Lithographic	0.90

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
2754	Commercial Printing, Gravure	0.90
2759	Commercial Printing, NEC	0.90
2761	Manifold Business Forms	0.90
2771	Greeting Cards	0.90
2782	Blankbooks, Loose-leaf Binders and Devices	0.90
2789	Bookbinding and Related Work	0.90
2791	Typesetting	0.90
2796	Platemaking and Related Services	0.90
2812	Alkalies and Chlorine	1.00
2813	Industrial Gases	1.00
2816	Inorganic Pigments	1.00
2819	Industrial Inorganic Chemicals, NEC	1.00
2821	Plastics Material and Synthetic Resins, and Nonvulcanizable Elastomers	1.00
2822	Synthetic Rubber	1.00
2823	Cellulosic Manmade Fibers	1.00
2824	Manmade Organic Fibers, Except Cellulosic	1.00
2833	Medicinal Chemicals and Botanical Products	0.90
2834	Pharmaceutical Preparations	0.90
2835	In Vitro and In Vivo Diagnostic Substances	0.90
2836	Biological Products, Except Diagnostic Substances	0.90
2841	Soaps and Other Detergents, Except Speciality Cleaners	0.90
2842	Speciality Cleaning, Polishing, and Sanitary Preparations	0.90
2843	Surface Active Agents, Finishing Agents, Sulfonated Oils, and Assistants	0.90
2844	Perfumes, Cosmetics, and Other Toilet Preparations	0.90
2851	Paints, Varnishes, Lacquers, Enamels, and Allied Products	0.95
2861	Gum and Wood Chemicals	1.00
2865	Cyclic Organic Crudes and Intermediates, and Organic Dyes and Pigments	1.00
2869	Industrial Organic Chemicals, NEC	1.00
2873	Nitrogenous Fertilizers	1.00
2874	Phosphatic Fertilizers	1.00
2875	Fertilizers, Mixing Only	1.00
2879	Pesticides and Agricultural Chemicals, NEC	1.00
2891	Adhesives and Sealants	0.95
2892	Explosives	1.15
2893	Printing Ink	0.95
2895	Carbon Black	1.00
2899	Chemicals and Chemical Preparations, NEC	0.95
2911	Petroleum Refining	1.05
2951	Asphalt Paving Mixtures and Blocks	1.05
2952	Asphalt Felts and Coatings	1.05
2992	Lubricating Oils and Greases	1.05
2999	Products of Petroleum and Coal, NEC	1.05
3011	Tires and Inner Tubes	0.95
3021	Rubber and Plastics Footwear	0.95
3052	Rubber and Plastics Hose and Belting	0.95
3053	Gaskets, Packing, and Sealing Devices	0.90
3061	Molded, Extruded, and Lathe-Cut Mechanical Rubber Goods	0.95
3069	Fabricated Rubber Products, NEC	0.95
3081	Unsupported Plastics Film and Sheet	0.95
3082	Unsupported Plastics Profile Shapes	0.95
3083	Laminated Plastics Plate, Sheet, and Profile Shapes	0.95
3084	Plastics Pipe	0.95
3085	Plastics Bottles	0.95
3086	Plastics Foam Products	0.95
3087	Custom Compounding of Purchased Plastics Resins	0.95

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
3088	Plastics Plumbing Fixtures	0.95
3089	Plastics Products, NEC	0.95
3111	Leather Tanning and Finishing	1.15
3131	Boot and Shoe Cut Stock and Findings	1.00
3142	House Slippers	0.95
3143	Men's Footwear, Except Athletic	0.95
3144	Women's Footwear, Except Athletic	0.95
3149	Footwear, Except Rubber, NEC	0.95
3151	Leather Gloves and Mittens	1.00
3161	Luggage	0.95
3171	Women's Handbags and Purses	0.95
3172	Personal Leather Goods, Except Women's Handbags and Purses	0.95
3199	Leather Goods, NEC	0.95
3211	Flat Glass	0.95
3221	Glass Containers	0.95
3229	Pressed and Blown Glass and Glassware, NEC	0.95
3231	Glass Products, Made of Purchased Glass	0.95
3241	Cement, Hydraulic	0.95
3251	Brick and Structural Clay Tile	0.95
3253	Ceramic Wall and Floor Tile	0.95
3255	Clay Refractories	0.95
3259	Structural Clay Products, NEC	0.95
3261	Vitreous China Plumbing Fixtures and China and Earthenware Fittings and Bathroom Accessories	0.95
3262	Vitreous China Table and Kitchen Articles	0.95
3263	Fine Earthenware (Whiteware) Table and Kitchen Articles	0.95
3264	Porcelain Electrical Supplies	0.95
3269	Pottery Products, NEC	0.95
3271	Concrete Block and Brick	0.95
3272	Concrete Products, Except Block and Brick	1.05
3273	Ready-Mixed Concrete	0.95
3274	Lime	0.95
3275	Gypsum Products	0.95
3281	Cut Stone and Stone Products	0.95
3291	Abrasive Products	1.05
3292	Asbestos Products	1.05
3295	Minerals and Earths, Ground or Otherwise Treated	1.10
3296	Mineral Wool	0.95
3297	Nonclay Refractories	0.95
3299	Nonmetallic Mineral Products, NEC	1.05
3312	Steel Works, Blast Furnaces (Including Coke Ovens), and Rolling Mills	1.10
3313	Electrometallurgical Products, Except Steel	1.10
3315	Steel Wiredrawing and Steel Nails and Spikes	1.05
3316	Cold-Rolled Steel Sheet, Strip, and Bars	1.10
3317	Steel Pipe and Tubes	1.10
3321	Gray and Ductile Iron Foundries	1.10
3322	Malleable Iron Foundries	1.10
3324	Steel Investment Foundries	1.10
3325	Steel Foundries, NEC	1.10
3331	Primary Smelting and Refining of Copper	1.10
3334	Primary Production of Aluminum	1.10
3339	Primary Smelting and Refining of Nonferrous Metals, Except Copper and Aluminum	1.10
3341	Secondary Smelting and Refining of Nonferrous Metals	1.10
3351	Rolling, Drawing, and Extruding of Copper	1.10
3353	Aluminum Sheet, Plate, and Foil	1.10
3354	Aluminum Extruded Products	1.10

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
3355	Aluminum Rolling and Drawing, NEC	1.10
3356	Rolling, Drawing, and Extruding of Nonferrous Metals, Except Copper and Aluminum	1.10
3357	Drawing and Insulating of Nonferrous Wire	1.00
3363	Aluminum Die-Castings	1.10
3364	Nonferrous Die-Castings, Except Aluminum	1.10
3365	Aluminum Foundries	1.10
3366	Copper Foundries	1.10
3369	Nonferrous Foundries, Except Aluminum and Copper	1.10
3398	Metal Heat Treating	0.95
3399	Primary Metal Products, NEC	1.05
3411	Metal Cans	0.95
3412	Metal Shipping Barrels, Drums, Kegs, and Pails	0.95
3421	Cutlery	0.95
3423	Hand and Edge Tools, Except Machine Tools and Handsaws	0.95
3425	Saw Blades and Handsaws	0.95
3429	Hardware, NEC	0.95
3431	Enameled Iron and Metal Sanitary Ware	0.95
3432	Plumbing Fixture Fittings and Trim	0.95
3433	Heating Equipment, Except Electric and Warm Air Furnaces	0.95
3441	Fabricated Structural Metal	0.95
3442	Metal Doors, Sash, Frames, Molding, and Trim Manufacturing	0.95
3443	Fabricated Plate Work (Boiler Shops)	0.95
3444	Sheet Metal Work	0.95
3446	Architectural and Ornamental Metal Work	0.95
3448	Prefabricated Metal Buildings and Components	0.95
3449	Miscellaneous Structural Metal Work	0.95
3451	Screw Machine Products	0.95
3452	Bolts, Nuts, Screws, Rivets, and Washers	0.95
3462	Iron and Steel Forgings	0.95
3463	Nonferrous Forgings	0.95
3465	Automotive Stamping	0.95
3466	Crowns and Closures	0.95
3469	Metal Stamping, NEC	0.95
3471	Electroplating, Plating, Polishing, Anodizing, and Coloring	0.95
3479	Coating, Engraving, and Allied Services, NEC	0.90
3482	Small Arms Ammunition	0.95
3483	Ammunition, Except for Small Arms	0.95
3484	Small Arms	0.95
3489	Ordnance and Accessories, NEC	0.95
3491	Industrial Valves	0.95
3492	Fluid Power Valves and Hose Fittings	0.95
3493	Steel Springs, Except Wire	0.95
3494	Valves and Pipe Fittings, NEC	0.95
3495	Wire Springs	0.95
3496	Miscellaneous Fabricated Wire Products	0.95
3497	Metal Foil and Leaf	0.95
3498	Fabricated Pipe and Pipe Fittings	0.95
3499	Fabricated Metal Products, NEC	0.95
3500		0.95
3511	Steam, Gas, and Hydraulic Turbines, and Turbine Generator Set Units	0.95
3519	Internal Combustion Engines, NEC	0.95
3523	Farm Machinery and Equipment	0.95
3524	Lawn and Garden Tractors and Home Lawn and Garden Equipment	0.95
3531	Construction Machinery and Equipment	0.95
3532	Mining Machinery and Equipment, Except Oil and Gas Field Machinery and Equipment	0.95

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
3533	Oil and Gas Field Machinery and Equipment	0.95
3534	Elevators and Moving Stairways	0.95
3535	Conveyors and Conveying Equipment	0.95
3536	Overhead Traveling Cranes, Hoists, and Monorail Systems	0.95
3537	Industrial Trucks, Tractors, Trailers, and Stackers	0.95
3541	Machine Tools, Metal Cutting Type	0.95
3542	Machine Tools, Metal Forming Type	0.95
3543	Industrial Patterns	0.95
3544	Special Dies and Tools, Die Sets, Jigs and Fixtures, and Industrial Molds	0.95
3545	Cutting Tools, Machine Tool Accessories, and Machinists' Precision Measuring Devices	0.95
3546	Power-Driven Handtools	0.95
3547	Rolling Mill Machinery and Equipment	0.95
3548	Electric and Gas Welding and Soldering Equipment	0.95
3549	Metalworking Machinery, NEC	0.95
3552	Textile Machinery	0.95
3553	Woodworking Machinery	0.95
3554	Paper Industries Machinery	0.95
3555	Printing Trades Machinery and Equipment	0.95
3556	Food Products Machinery	0.95
3559	Special Industry Machinery, NEC	0.95
3561	Pumps and Pumping Equipment	0.95
3562	Ball and Roller Bearings	0.95
3563	Air and Gas Compressors	0.95
3564	Industrial and Commercial Fans and Blowers and Air Purification Equipment	0.95
3565	Packaging Machinery	0.95
3566	Speed Changers, Industrial High-Speed Drives, and Gears	0.95
3567	Industrial Process Furnaces and Ovens	0.95
3568	Mechanical Power Transmission Equipment, NEC	0.95
3569	General Industrial Machinery and Equipment, NEC	0.95
3571	Electronic Computers	0.90
3572	Computer Storage Devices	0.90
3575	Computer Terminals	0.90
3577	Computer Peripheral Equipment, NEC	0.90
3578	Calculating and Accounting Machines, Except Electronic Computers	0.95
3579	Office Machines, NEC	0.90
3581	Automatic Vending Machines	0.95
3582	Commercial Laundry, Drycleaning, and Pressing Machines	0.95
3585	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment	0.95
3586	Measuring and Dispensing Pumps	0.95
3589	Service Industry Machinery, NEC	0.95
3592	Carburetors, Pistons, Piston Rings, and Valves	0.95
3593	Fluid Power Cylinders and Actuators	0.95
3594	Fluid Power Pumps and Motors	0.95
3596	Scales and Balances, Except Laboratory	0.95
3599	Industrial and Commercial Machinery and Equipment, NEC	0.95
3612	Power, Distribution, and Specialty Transformers	0.90
3613	Switchgear and Switchboard Apparatus	0.90
3621	Motors and Generators	0.90
3624	Carbon and Graphite Products	0.90
3625	Relays and Industrial Controls	0.90
3629	Electrical Industrial Apparatus, NEC	0.90
3631	Household Cooking Equipment	0.90
3632	Household Refrigerators and Home and Farm Freezers	0.90
3633	Household Laundry Equipment	0.90
3634	Electric Housewares and Fans	0.90

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SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
3635	Household Vacuum Cleaners	0.90
3639	Household Appliances, NEC	0.90
3641	Electric Lamp Bulbs and Tubes	0.90
3643	Current-Carrying Wiring Devices	0.90
3644	Noncurrent-Carrying Wiring Devices	0.95
3645	Residential Electric Lighting Fixtures	0.90
3646	Commercial, Industrial, and Institutional Electric Lighting Fixtures	0.90
3647	Vehicular Lighting Equipment	0.95
3648	Lighting Equipment, NEC	0.90
3651	Household Audio and Video Equipment	0.90
3652	Phonograph Records and Prerecorded Audio Tapes and Disks	0.95
3661	Telephone and Telegraph Apparatus	0.90
3663	Radio and Television Broadcasting and Communications Equipment	0.90
3669	Communications Equipment, NEC	0.90
3671	Electron Tubes	0.90
3672	Printed Circuit Boards	0.90
3674	Semiconductors and Related Devices	0.90
3675	Electronic Capacitors	0.90
3676	Electronic Resistors	0.90
3677	Electronic Coils, Transformers, and Other Inductors	0.90
3678	Electronic Connectors	0.90
3679	Electronic Components, NEC	0.90
3691	Storage Batteries	0.90
3692	Primary Batteries, Dry and Wet	0.90
3694	Electrical Equipment for Internal Combustion Engines	0.95
3695	Magnetic and Optical Recording Media	0.90
3699	Electrical Machinery, Equipment, and Supplies, NEC	0.95
3711	Motor Vehicles and Passenger Car Bodies	0.95
3713	Truck and Bus Bodies	0.95
3714	Motor Vehicle Parts and Accessories	0.95
3715	Truck Trailers	0.95
3716	Motor Homes	0.95
3721	Aircraft	0.95
3724	Aircraft Engines and Engine Parts	0.95
3728	Aircraft Parts and Auxiliary Equipment, NEC	0.95
3731	Ship Building and Repairing	1.00
3732	Boat Building and Repairing	1.00
3743	Railroad Equipment	0.95
3751	Motorcycles, Bicycles, and Parts	0.95
3761	Guided Missiles and Space Vehicles	0.95
3764	Guided Missile and Space Vehicle Propulsion Units and Propulsion Unit Parts	0.95
3769	Guided Missile Space Vehicle Parts and Auxiliary Equipment, NEC	0.95
3792	Travel Trailers and Campers	0.95
3795	Tanks and Tank Components	0.95
3799	Transportation Equipment, NEC	0.95
3812	Search, Detection, Navigation, Guidance, Aeronautical, and Nautical Systems and Instruments	0.90
3821	Laboratory Apparatus and Furniture	0.90
3822	Automatic Controls for Regulating Residential and Commercial Environments and Appliances	0.90
3823	Industrial Instruments for Measurement, Display, and Control of Process Variables; and Related Products	0.90
3824	Totalizing Fluid Meters and Counting Devices	0.90
3825	Instruments for Measuring and Testing of Electricity and Electrical Signals	0.90
3826	Laboratory Analytical Instruments	0.90
3827	Optical Instruments and Lenses	0.95
3829	Measuring and Controlling Devices, NEC	0.90
3841	Surgical and Medical Instruments and Apparatus	0.90



**Appendix A**

<b>SIC Codes and Industry Factors</b>		
<b>SIC</b>	<b>SIC Description</b>	<b>SIC Fx</b>
3842	Orthopedic, Prosthetic, and Surgical Appliances and Supplies	0.90
3843	Dental Equipment and Supplies	0.90
3844	X-Ray Apparatus and Tubes and Related Irradiation Apparatus	0.90
3845	Electromedical and Electrotherapeutic Apparatus	0.90
3851	Ophthalmic Goods	0.95
3861	Photographic Equipment and Supplies	0.95
3873	Watches, Clocks, Clockwork Operated Devices and Parts	0.90
3911	Jewelry, Precious Metal	0.90
3914	Silverware, Plated Ware, and Stainless Steel Ware	0.95
3915	Jewelers' Findings and Materials, and Lapidary Work	0.90
3931	Musical Instruments	0.90
3942	Dolls and Stuffed Toys	0.90
3944	Games, Toys, and Children's Vehicles, Except Dolls and Bicycles	0.95
3949	Sporting and Athletic Goods, NEC	0.90
3951	Pens, Mechanical Pencils, and Parts	0.90
3952	Lead Pencils, Crayons, and Artist's Materials	0.95
3953	Marking Devices	0.90
3955	Carbon Paper and Inked Ribbons	0.90
3961	Costume Jewelry and Costume Novelties, Except Precious Metals	0.90
3965	Fasteners, Buttons, Needles, and Pins	0.90
3991	Brooms and Brushes	0.90
3993	Signs and Advertising Specialties	0.90
3995	Burial Caskets	0.90
3996	Linoleum, Asphalted-Felt-Base, and Other Hard Surface Floor Coverings, NEC	0.95
3999	Manufacturing Industries, NEC	0.95
4011	Railroads, Line-haul Operating	1.05
4013	Railroad Switching and Terminal Establishments	1.05
4111	Local and Suburban Transit	1.10
4119	Local Passenger Transportation, NEC	1.10
4121	Taxicabs	1.15
4131	Intercity and Rural Bus Transportation	1.10
4141	Local Bus Charter Service	1.10
4142	Bus Charter Service, Except Local	1.10
4151	School Buses	1.10
4173	Terminal and Service Facilities for Motor Vehicle Passenger Transportation	1.05
4212	Local Trucking Without Storage	1.00
4213	Trucking, Except Local	1.05
4214	Local Trucking with Storage	1.05
4215	Courier Services Except by Air	1.05
4221	Farm Product Warehousing and Storage	1.05
4222	Refrigerated Warehousing and Storage	1.05
4225	General Warehousing and Storage	1.10
4226	Special Warehousing and Storage, NEC	1.05
4231	Terminal and Joint Terminal Maintenance Facilities for Motor Freight Transportation	1.05
4311	United States Postal Service	0.95
4412	Deep Sea Foreign Transportation of Freight	0.95
4424	Deep Sea Domestic Transportation of Freight	0.95
4432	Freight Transportation on the Great Lakes - St. Lawrence Seaway	0.95
4449	Water Transportation of Freight, NEC	0.95
4481	Deep Sea Transportation of Passengers, Except by Ferry	0.95
4482	Ferries	0.95
4489	Water Transportation of Passengers, NEC	1.00
4491	Marine Cargo Handling	1.05
4492	Towing and Tugboat Services	1.05
4493	Marinas	1.15

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
4499	Water Transportation Services, NEC	1.05
4512	Air Transportation, Scheduled	0.95
4513	Air Courier Services	1.05
4522	Air Transportation, Nonscheduled	1.00
4581	Airports, Flying Fields, and Airport Terminal Services	1.05
4612	Crude Petroleum Pipelines	0.95
4613	Refined Petroleum Pipelines	0.95
4619	Pipelines, NEC	0.95
4724	Travel Agencies	0.95
4725	Tour Operators	0.95
4729	Arrangement of Passenger Transportation, NEC	1.00
4731	Arrangement of Transportation of Freight and Cargo	1.00
4741	Rental of Railroad Cars	1.00
4783	Packing and Crating	1.05
4785	Fixed Facilities and Inspection and Weighing Services for Motor Vehicle Transportation	1.05
4789	Transportation Services, NEC	1.10
4812	Radiotelephone Communications	0.90
4813	Telephone Communications, Except Radiotelephone	0.90
4822	Telegraph and Other Message Communications	0.90
4832	Radio Broadcasting Stations	0.90
4833	Television Broadcasting Stations	0.90
4841	Cable and Other Pay Television Services	0.90
4899	Communications Services, NEC	1.00
4911	Electric Services	0.95
4922	Natural Gas Transmission	0.95
4923	Natural Gas Transmission and Distribution	0.95
4924	Natural Gas Distribution	0.95
4925	Mixed, Manufactured, or Liquefied Petroleum Gas Production and/or Distribution	0.95
4931	Electric and Other Services Combined	0.95
4932	Gas and Other Services Combined	0.95
4939	Combination Utilities, NEC	0.95
4941	Water Supply	0.95
4952	Sewerage Systems	0.95
4953	Refuse Systems	1.05
4959	Sanitary Services, NEC	1.10
4961	Steam and Air-Conditioning Supply	0.95
4971	Irrigation Systems	0.95
5012	Automobiles and Other Motor Vehicles	0.95
5013	Motor Vehicle Supplies and New Parts	1.05
5014	Tires and Tubes	1.05
5015	Motor Vehicle Parts, Used	1.05
5021	Furniture	0.95
5023	Home Furnishings	0.95
5031	Lumber, Plywood, Millwork, and Wood Panels	0.95
5032	Brick, Stone and Related Construction Materials	0.95
5033	Roofing, Siding, and Insulation Materials	0.95
5039	Construction Materials, NEC	0.95
5043	Photographic Equipment and Supplies	0.95
5044	Office Equipment	0.95
5045	Computers and Computer Peripheral Equipment and Software	0.95
5046	Commercial Equipment, NEC	0.95
5047	Medical, Dental, and Hospital Equipment and Supplies	0.95
5048	Ophthalmic Goods	0.95
5049	Professional Equipment and Supplies, NEC	0.95
5051	Metals Service Centers and Offices	0.95

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
5052	Coal and Other Minerals and Ores	0.95
5063	Electrical Apparatus and Equipment Wiring Supplies, and Construction Materials	0.95
5064	Electrical Appliances, Television and Radio Sets	0.95
5065	Electronic Parts and Equipment, NEC	0.95
5072	Hardware	0.95
5074	Plumbing and Heating Equipment and Supplies (Hydronics)	0.95
5075	Warm Air Heating and Air-Conditioning Equipment and Supplies	0.95
5078	Refrigeration Equipment and Supplies	0.95
5082	Construction and Mining (Except Petroleum) Machinery and Equipment	0.95
5083	Farm and Garden Machinery and Equipment	0.95
5084	Industrial Machinery and Equipment	0.95
5085	Industrial Supplies	0.95
5087	Service Establishment Equipment and Supplies	0.95
5088	Transportation Equipment and Supplies, Except Motor Vehicles	0.95
5091	Sporting and Recreational Goods and Supplies	0.95
5092	Toys and Hobby Goods and Supplies	0.95
5093	Scrap and Waste Materials	1.10
5094	Jewelry, Watches, Precious Stones, and Precious Metals	0.95
5099	Durable Goods, NEC	0.95
5111	Printing and Writing Paper	0.95
5112	Stationery and Office Supplies	0.95
5113	Industrial and Personal Service Paper	0.95
5122	Drugs, Drug Proprietaries, and Druggists' Sundries	0.95
5131	Piece Goods, Notions, and Other Dry Goods	0.95
5136	Men's and Boys' Clothing and Furnishings	0.95
5137	Women's, Children's, and Infants' Clothing and Accessories	0.95
5139	Footwear	0.95
5141	Groceries, General Line	0.95
5142	Packaged Frozen Foods	0.95
5143	Dairy Products, Except Dried or Canned	0.95
5144	Poultry and Poultry Products	0.95
5145	Confectionery	0.95
5146	Fish and Seafoods	0.95
5147	Meats and Meat Products	1.00
5148	Fresh Fruits and Vegetables	0.95
5149	Groceries and Related Products, NEC	0.95
5153	Grain and Field Beans	0.95
5154	Livestock	0.95
5159	Farm-Product Raw Materials, NEC	0.95
5162	Plastics Materials and Basic Forms and Shapes	0.95
5169	Chemicals and Allied Products, NEC	0.95
5171	Petroleum Bulk Stations and Terminals	1.00
5172	Petroleum and Petroleum Products Wholesalers, Except Bulk Stations and Terminals	0.95
5181	Beer and Ale	1.05
5182	Wine and Distilled Alcoholic Beverages	1.05
5191	Farm Supplies	0.95
5192	Books, Periodicals, and Newspapers	0.95
5193	Flowers, Nursery Stock, and Florists' Supplies	0.95
5194	Tobacco and Tobacco Products	0.95
5198	Paint, Varnishes, and Supplies	0.95
5199	Nondurable Goods, NEC	1.00
5211	Lumber and Other Building Materials Dealers	0.95
5231	Paint, Glass, and Wallpaper Stores	0.95
5251	Hardware Stores	0.95
5261	Retail Nurseries, Lawn and Garden Supply Stores	0.95

**Appendix A**

<b>SIC Codes and Industry Factors</b>		
<b>SIC</b>	<b>SIC Description</b>	<b>SIC Fx</b>
5271	Mobile Home Dealers	1.10
5311	Department Stores	0.90
5331	Variety Stores	0.90
5399	Miscellaneous General Merchandise Stores	0.90
5411	Grocery Stores	1.00
5421	Meat and Fish (Seafood) Markets, Including Freezer Provisioners	0.95
5431	Fruit and Vegetable Markets	0.95
5441	Candy, Nut, and Confectionery Stores	0.95
5451	Dairy Products Stores	0.95
5461	Retail Bakeries	1.05
5499	Miscellaneous Food Stores	0.95
5511	Motor Vehicle Dealers (New and Used)	1.10
5521	Motor Vehicle Dealers (Used Only)	1.10
5531	Auto and Home Supply Stores	1.05
5541	Gasoline Service Stations	1.10
5551	Boat Dealers	1.10
5561	Recreational Vehicle Dealers	1.10
5571	Motorcycle Dealers	1.10
5599	Automotive Dealers, NEC	1.10
5611	Men's and Boys' Clothing and Accessory Stores	0.95
5621	Women's Clothing Stores	0.95
5632	Women's Accessory and Specialty Stores	0.95
5641	Children's and Infants' Wear Stores	0.95
5651	Family Clothing Stores	0.95
5661	Shoe Stores	0.95
5699	Miscellaneous Apparel and Accessory Stores	0.95
5712	Furniture Stores	0.95
5713	Floor Covering Stores	0.95
5714	Drapery, Curtain, and Upholstery Stores	0.95
5719	Miscellaneous Homefurnishings Stores	0.95
5722	Household Appliance Stores	0.95
5731	Radio, Television, and Consumer Electronics Stores	1.05
5734	Computer and Computer Software Stores	0.95
5735	Record and Prerecorded Tape Stores	0.95
5736	Musical Instrument Stores	0.95
5812	Eating and Drinking Places	1.15
5813	Drinking Places (Alcoholic Beverages)	1.15
5912	Drug Stores and Proprietary Stores	0.95
5921	Liquor Stores	1.15
5932	Used Merchandise Stores	0.90
5941	Sporting Goods Stores and Bicycle Shops	0.95
5942	Book Stores	0.95
5943	Stationery Stores	0.95
5944	Jewelry Stores	0.95
5945	Hobby, Toy, and Game Shops	0.95
5946	Camera and Photographic Supply Stores	0.95
5947	Gift, Novelty, and Souvenir Shops	0.95
5948	Luggage and Leather Goods Stores	0.95
5949	Sewing, Needlework, and Piece Goods Stores	0.95
5961	Catalog and Mail-Order Houses	0.95
5962	Automatic Merchandising Machine Operator	0.95
5963	Direct Selling Establishments	1.05
5983	Fuel Oil Dealers	1.05
5984	Liquefied Petroleum Gas (Bottled Gas) Dealers	1.05
5989	Fuel Dealers, NEC	1.05

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
5992	Florists	0.95
5993	Tobacco Stores and Stands	0.95
5994	News Dealers and Newsstands	0.95
5995	Optical Goods Stores	0.95
5999	Miscellaneous Retail Stores, NEC	0.95
6011	Federal Reserve Banks	1.00
6019	Central Reserve Depository Institutions, NEC	1.00
6021	National Commercial Banks	1.00
6022	State Commercial Banks	1.00
6029	Commercial Banks, NEC	1.00
6035	Savings Institutions, Federally Chartered	1.00
6036	Savings institutions, Not Federally Chartered	1.00
6061	Credit Unions, Federally Chartered	1.00
6062	Credit Unions, Not Federally Chartered	1.00
6081	Branches and Agencies of Foreign Banks	1.00
6082	Foreign Trade and International Banking Institutions	1.00
6091	Nondeposit Trust Facilities	1.00
6099	Functions Related to Deposit Banking, NEC	1.00
6111	Federal and Federally-Sponsored Credit Agencies	1.00
6141	Personal Credit Institutions	1.00
6153	Short-Term Business Credit Institutions, Except Agricultural	1.00
6159	Miscellaneous Business Credit Institutions	1.00
6162	Mortgage Bankers and Loan Correspondents	1.00
6163	Loan Brokers	1.00
6211	Security Brokers, Dealers, and Flotation Companies	0.95
6221	Commodity Contracts Brokers and Dealers	0.95
6231	Security and Commodity Exchanges	0.95
6282	Investment Advice	0.95
6289	Services Allied With the Exchange of Securities or Commodities, NEC	0.95
6311	Life Insurance	0.90
6321	Accident and Health Insurance	0.90
6324	Hospital and Medical Service Plans	0.90
6331	Fire, Marine, and Casualty Insurance	0.90
6351	Surety Insurance	0.90
6361	Title Insurance	0.90
6371	Pension, Health, and Welfare Funds	0.95
6399	Insurance Carriers, NEC	0.90
6411	Insurance Agents, Brokers, and Service	1.00
6512	Operators of Nonresidential Buildings	1.15
6513	Operators of Apartment Buildings	1.10
6514	Operators of Dwellings Other Than Apartment Buildings	1.10
6515	Operators of Residential Mobile Home Sites	1.10
6517	Lessors of Railroad Property	1.10
6519	Lessors of Real Property, NEC	1.10
6531	Real Estate Agents and Managers	1.10
6541	Title Abstract Offices	1.00
6552	Land Subdividers and Developers, Except Cemeteries	1.00
6553	Cemetery Subdividers and Developers	0.95
6712	Offices of Bank Holding Companies	0.90
6719	Offices of Holding Companies, NEC	0.90
6722	Management Investment Offices, Open-End	0.90
6726	Unit Investment Trusts, Face-Amount Certificate Offices, and Closed-End Management Investment Offices	0.90
6732	Education, Religious, and Charitable Trusts	0.90
6733	Trusts, Except Educational, Religious, and Charitable	0.95
6792	Oil Royalty Traders	0.95

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
6794	Patent Owners and Lessors	0.90
6798	Real Estate Investment Trusts	0.90
6799	Investors, NEC	0.95
7011	Hotels and Motels	1.15
7021	Rooming and Boarding Houses	1.15
7032	Sporting and Recreational Camps	1.15
7033	Recreational Vehicle Parks and Campsites	1.15
7041	Organization Hotels and Lodging Houses, on Membership Basis	1.15
7211	Power Laundries, Family and Commercial	1.15
7212	Garment Pressing, and Agents for Laundries and Drycleaners	1.15
7213	Linen Supply	1.15
7215	Coin-Operated Laundries and Drycleaning	1.15
7216	Drycleaning Plants, Except Rug Cleaning	1.15
7217	Carpet and Upholstery Cleaning	1.10
7218	Industrial Launderers	1.15
7219	Laundry and Garment Services, NEC	1.15
7221	Photographic Studios, Portrait	0.95
7231	Beauty Shops	1.10
7241	Barber Shops	1.05
7251	Shoe Repair Shops and Shoeshine Parlors	1.00
7261	Funeral Services and Crematories	0.95
7291	Tax Return Preparation Services	0.90
7299	Miscellaneous Personal Services, NEC	1.05
7311	Advertising Agencies	1.05
7312	Outdoor Advertising Services	1.05
7313	Radio, Television, and Publishers' Advertising Representatives	1.05
7319	Advertising, NEC	1.05
7322	Adjustment and Collection Services	0.95
7323	Credit Reporting Services	0.95
7331	Direct Mail Advertising Services	1.00
7334	Photocopying and Duplicating Services	0.95
7335	Commercial Photography	0.95
7336	Commercial Art and Graphic Design	0.95
7338	Secretarial and Court Reporting Services	0.95
7342	Disinfecting and Pest Control Services	1.15
7349	Building Cleaning and Maintenance Services, NEC	1.10
7352	Medical Equipment Rental and Leasing	0.95
7353	Heavy Construction Equipment Rental and Leasing	1.00
7359	Equipment Rental and Leasing, NEC	0.95
7361	Employment Agencies	0.95
7363	Help Supply Services	0.95
7371	Computer Programming Services	0.90
7372	Prepackaged Software	0.90
7373	Computer Integrated Systems Design	0.90
7374	Computer Processing and Data Preparation and Processing Services	0.95
7375	Information Retrieval Services	0.95
7376	Computer Facilities Management Services	0.90
7377	Computer Rental and Leasing	0.95
7378	Computer Maintenance and Repair	1.00
7379	Computer Related Services, NEC	0.90
7381	Detective, Guard, and Armored Car Services	1.00
7382	Security Systems Services	1.00
7383	News Syndicates	1.05
7384	Photofinishing Laboratories	0.95
7389	Business Services, NEC	0.95

Appendix A

SIC Codes and Industry Factors		
SIC	SIC Description	SIC Fx
7513	Truck Rental and Leasing, Without Drivers	1.10
7514	Passenger Car Rental	1.10
7515	Passenger Car Leasing	1.10
7519	Utility Trailer and Recreational Vehicle Rental	1.10
7521	Automobile Parking	1.10
7532	Top, Body, and Upholstery Repair Shops and Paint Shops	1.10
7533	Automotive Exhaust System Repair Shops	1.10
7534	Tire Retreading and Repair Shops	1.05
7536	Automotive Glass Replacement Shops	1.10
7537	Automotive Transmission Repair Shops	1.10
7538	General Automotive Repair Shops	1.10
7539	Automotive Repair Shops, NEC	1.10
7542	Carwashes	1.10
7549	Automotive Services, Except Repair and Carwashes	1.10
7622	Radio and Television Repair Shops	1.00
7623	Refrigeration and Air-Conditioning Services and Repair Shops	1.00
7629	Electrical and Electronic Repair Shops, NEC	1.00
7631	Watch, Clock, and Jewelry Repair	1.00
7641	Reupholstery and Furniture Repair	1.00
7692	Welding Repair	1.00
7694	Armature Rewinding Shops	0.95
7699	Repair Shops and Related Services, NEC	1.00
7812	Motion Picture and Video Tape Production	0.95
7819	Services Allied to Motion Picture Production	0.95
7822	Motion Picture and Video Tape Distribution	0.95
7829	Services Allied to Motion Picture Distribution	0.95
7832	Motion Picture Theaters, Except Drive-In	0.95
7833	Drive-In Motion Picture Theaters	0.95
7841	Video Tape Rental	0.95
7911	Dance Studios, Schools, and Halls	1.05
7922	Theatrical Producers (Except Motion Picture) and Miscellaneous Theatrical Services	1.10
7929	Bands, Orchestras, Actors, and Other Entertainers and Entertainment Groups	1.15
7933	Bowling Centers	1.15
7941	Professional Sports Clubs and Promoters	1.15
7948	Racing, Including Track Operations	1.15
7991	Physical Fitness Facilities	1.15
7992	Public Golf Courses	1.15
7993	Coin-Operated Amusement Devices	1.15
7996	Amusement Parks	1.15
7997	Membership Sports and Recreation Clubs	1.15
7999	Amusement and Recreation Services, NEC	1.10
8000		1.15
8011	Offices and Clinics of Doctors of Medicine	1.15
8021	Offices and Clinics of Dentists	1.00
8031	Offices and Clinics of Doctors of Osteopathy	1.15
8041	Offices and Clinics of Chiropractors	1.15
8042	Offices and Clinics of Optometrists	1.15
8043	Offices and Clinics of Podiatrists	1.15
8049	Offices and Clinics of Health Practitioners, NEC	1.15
8051	Skilled Nursing Care Facilities	1.15
8052	Intermediate Care Facilities	1.15
8059	Nursing and Personal Care Facilities, NEC	1.15
8062	General Medical and Surgical Hospitals	1.15
8063	Psychiatric Hospitals	1.15
8069	Specialty Hospitals, Except Psychiatric	1.15

**Appendix A**

<b>SIC Codes and Industry Factors</b>		
<b>SIC</b>	<b>SIC Description</b>	<b>SIC Fx</b>
8071	Medical Laboratories	1.05
8072	Dental Laboratories	1.00
8082	Home Health Care Services	1.15
8092	Kidney Dialysis Centers	1.15
8093	Specialty Outpatient Facilities, NEC	1.15
8099	Health and Allied Services, NEC	1.05
8111	Legal Services	0.95
8211	Elementary and Secondary Schools	0.95
8221	Colleges, Universities, and Professional Schools	0.95
8222	Junior Colleges and Technical Institutes	0.95
8231	Libraries	0.90
8243	Data Processing Schools	0.95
8244	Business and Secretarial Schools	0.95
8249	Vocational Schools, NEC	0.95
8299	Schools and Educational Services, NEC	0.95
8300		1.10
8322	Individual and Family Social Services	1.10
8331	Job Training and Vocational Rehabilitation Services	1.10
8351	Child Day Care Services	1.10
8361	Residential Care	1.10
8399	Social Services, NEC	1.10
8412	Museums and Art Galleries	1.05
8422	Arboreta and Botanical or Zoological Gardens	1.05
8611	Business Associations	1.15
8621	Professional Membership Organizations	1.15
8631	Labor Unions and Similar Labor Organizations	1.15
8641	Civic, Social, and Fraternal Associations	1.15
8651	Political Organizations	1.15
8661	Religious Organizations	1.15
8699	Membership Organizations, NEC	1.10
8711	Engineering Services	0.90
8712	Architectural Services	0.90
8713	Surveying Services	0.90
8721	Accounting, Auditing, and Bookkeeping Services	0.90
8731	Commercial Physical and Biological Research	0.95
8732	Commercial Economic, Sociological, and Educational Research	0.95
8733	Noncommercial Research Organizations	0.95
8734	Testing Laboratories	0.90
8741	Management Services	0.95
8742	Management Consulting Services	0.90
8743	Public Relations Services	1.05
8744	Facilities Support Management Services	0.95
8748	Business Consulting Services, NEC	0.90
8811	Private Households	1.15
8999	Services, NEC	0.95
9111	Executive Offices	1.05
9121	Legislative Bodies	1.05
9131	Executive and Legislative Offices, Combined	1.05
9199	General Government, NEC	1.05
9211	Courts	1.15
9221	Police Protection	1.15
9222	Legal Counsel and Prosecution	1.15
9223	Correctional Institutions	1.15
9224	Fire Protection	1.15
9229	Public Order and Safety, NEC	1.15



**Appendix A**

<b>SIC Codes and Industry Factors</b>		
<b>SIC</b>	<b>SIC Description</b>	<b>SIC Fx</b>
9311	Public Finance, Taxation, and Monetary Policy	1.15
9411	Administration of Educational Programs	1.15
9431	Administration of Public Health Programs	1.15
9441	Administration of Social, Human Resource and Income Maintenance Programs	1.15
9451	Administration of Veterans' Affairs, Except Health Insurance	1.15
9511	Air and Water Resource and Solid Waste Management	1.15
9512	Land, Mineral, Wildlife, and Forest Conservation	1.15
9531	Administration of Housing Programs	1.15
9532	Administration of Urban Planning and Community and Rural Development	1.15
9611	Administration of General Economic Programs	1.15
9621	Regulation and Administration of Transportation Programs	1.10
9631	Regulation and Administration of Communications, Electric, Gas, and Other Utilities	1.15
9641	Regulation of Agricultural Marketing and Commodities	1.15
9651	Regulation, Licensing, and Inspection of Miscellaneous Commercial Sectors	1.15
9661	Space Research and Technology	1.15
9711	National Security	1.15
9721	International Affairs	1.15

**Appendix B**

<b>Demographic Adjustment Factors</b>										
		<b>Male</b>								
TIER	Age	2T	3T	4T	3T	4T	4T	2T	3T	4T
		S	S	S	D	D	PC	F	F	F
0 - 24		0.320	0.320	0.320	1.184	1.267	1.118	1.631	2.379	2.496
25 - 29		0.382	0.382	0.382	1.276	1.406	1.166	1.940	2.478	2.609
30 - 34		0.467	0.467	0.467	1.337	1.542	1.230	2.214	2.540	2.675
35 - 39		0.575	0.575	0.575	1.396	1.659	1.341	2.316	2.529	2.661
40 - 44		0.712	0.712	0.712	1.580	1.872	1.443	2.415	2.602	2.724
45 - 49		0.908	0.908	0.908	1.954	2.202	1.626	2.642	2.879	2.994
50 - 54		1.244	1.244	1.244	2.544	2.702	1.932	2.998	3.326	3.428
55 - 59		1.595	1.595	1.595	3.158	3.242	2.239	3.378	3.789	3.874
60 - 64		2.096	2.096	2.096	3.936	3.979	2.733	4.003	4.347	4.405
65 - 199		2.914	2.914	2.914	5.148	5.165	3.596	5.158	5.287	5.474

		<b>Female</b>								
TIER	Age	2T	3T	4T	3T	4T	4T	2T	3T	4T
		S	S	S	D	D	PC	F	F	F
0 - 24		0.641	0.641	0.641	1.321	1.003	1.640	1.548	2.116	2.110
25 - 29		0.873	0.873	0.873	1.468	1.299	1.767	1.854	2.311	2.413
30 - 34		1.013	1.013	1.013	1.597	1.537	1.866	2.155	2.454	2.590
35 - 39		1.033	1.033	1.033	1.624	1.729	1.835	2.235	2.461	2.625
40 - 44		1.085	1.085	1.085	1.730	2.004	1.810	2.337	2.582	2.768
45 - 49		1.244	1.244	1.244	2.116	2.458	1.928	2.626	2.944	3.149
50 - 54		1.464	1.464	1.464	2.688	2.975	2.109	2.998	3.389	3.597
55 - 59		1.700	1.700	1.700	3.337	3.537	2.296	3.475	3.926	4.117
60 - 64		2.028	2.028	2.028	4.126	4.256	2.601	4.156	4.490	4.728
65 - 199		2.464	2.464	2.464	5.155	5.235	3.151	5.154	5.152	6.062

<b>Average Contract Size</b>										
		<b>Male</b>								
TIER	Age	2T	3T	4T	3T	4T	4T	2T	3T	4T
		S	S	S	D	D	PC	F	F	F
0 - 24		1.000	1.000	1.000	2.000	2.000	2.143	2.521	3.389	3.438
25 - 29		1.000	1.000	1.000	2.000	2.000	2.415	2.944	3.704	3.758
30 - 34		1.000	1.000	1.000	2.000	2.000	2.656	3.456	3.996	4.071
35 - 39		1.000	1.000	1.000	2.000	2.000	2.851	3.779	4.183	4.280
40 - 44		1.000	1.000	1.000	2.000	2.000	2.840	3.793	4.200	4.297
45 - 49		1.000	1.000	1.000	2.000	2.000	2.743	3.544	4.072	4.151
50 - 54		1.000	1.000	1.000	2.000	2.000	2.580	3.060	3.825	3.873
55 - 59		1.000	1.000	1.000	2.000	2.000	2.417	2.548	3.583	3.607
60 - 64		1.000	1.000	1.000	2.000	2.000	2.375	2.233	3.462	3.460
65 - 199		1.000	1.000	1.000	2.000	2.000	2.500	2.114	3.444	3.500

		<b>Female</b>								
TIER	Age	2T	3T	4T	3T	4T	4T	2T	3T	4T
		S	S	S	D	D	PC	F	F	F
0 - 24		1.000	1.000	1.000	2.000	2.000	2.227	2.405	3.417	3.500
25 - 29		1.000	1.000	1.000	2.000	2.000	2.415	2.726	3.583	3.706
30 - 34		1.000	1.000	1.000	2.000	2.000	2.674	3.178	3.819	3.972
35 - 39		1.000	1.000	1.000	2.000	2.000	2.816	3.425	3.948	4.147
40 - 44		1.000	1.000	1.000	2.000	2.000	2.750	3.355	3.907	4.084
45 - 49		1.000	1.000	1.000	2.000	2.000	2.602	3.091	3.773	3.904
50 - 54		1.000	1.000	1.000	2.000	2.000	2.433	2.698	3.565	3.638
55 - 59		1.000	1.000	1.000	2.000	2.000	2.259	2.316	3.341	3.368
60 - 64		1.000	1.000	1.000	2.000	2.000	2.143	2.093	3.143	3.167
65 - 199		1.000	1.000	1.000	2.000	2.000	2.500	2.129	3.333	3.500

The demographic factor input into Exhibit A of the Experience Rating Formula is determined by dividing the average subscriber demographic factor by the weighted average number of members per contract (using the demographic factors and average contract size from the tables above).

Medicare Primary Adjustment Factor: 0.6 \* Demographic Adjustment Factor in Table Above

**Appendix C**

**HRA/HSA Deductible Funding Adjustment Factors**

Single Deductible	51%-75% Funding		76%-100% Funding	
	HRA	HSA	HRA	HSA
\$1,000	1.20%	0.60%	2.40%	1.20%
\$1,250	1.30%	0.70%	2.60%	1.40%
\$1,500	1.30%	0.80%	2.70%	1.60%
\$1,750	1.40%	0.90%	2.80%	1.80%
\$2,000	1.50%	1.00%	2.90%	2.00%
\$2,250	1.90%	1.10%	3.70%	2.20%
\$2,500	2.30%	1.20%	4.50%	2.40%
\$2,750	2.70%	1.30%	5.30%	2.70%
\$3,000	3.10%	1.50%	6.10%	2.90%
\$3,250	3.10%	1.40%	6.10%	2.80%
\$3,500	3.10%	1.30%	6.10%	2.70%
\$3,750	3.10%	1.30%	6.10%	2.60%
\$4,000	3.10%	1.20%	6.10%	2.40%
\$4,250	2.90%	1.20%	5.90%	2.30%
\$4,500	2.80%	1.10%	5.70%	2.20%
\$4,750	2.70%	1.00%	5.40%	2.10%
\$5,000	2.60%	1.00%	5.20%	2.00%

Large Group

Adjustment Factors by Deductible Level

Percent of Total Member Months

Deductible Level	Factors											
	1	2	3	4	5	6	7	8	9	10	11	12
\$0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
\$500	0.67	0.92	0.98	1.01	1.03	1.04	1.05	1.05	1.06	1.06	1.06	1.07
\$1,000	0.55	0.87	0.96	1.00	1.03	1.05	1.07	1.08	1.09	1.10	1.10	1.11
\$1,500	0.48	0.82	0.94	0.99	1.03	1.06	1.08	1.10	1.11	1.12	1.13	1.14
\$2,000	0.44	0.78	0.92	0.99	1.03	1.07	1.09	1.11	1.13	1.14	1.15	1.16
\$2,500	0.40	0.74	0.90	0.98	1.03	1.07	1.10	1.12	1.14	1.16	1.17	1.18
\$2,700	0.39	0.73	0.89	0.98	1.03	1.07	1.10	1.13	1.15	1.16	1.18	1.19
\$2,800	0.39	0.73	0.89	0.98	1.03	1.07	1.10	1.13	1.15	1.17	1.18	1.19
\$3,000	0.38	0.72	0.88	0.97	1.03	1.07	1.11	1.13	1.15	1.17	1.19	1.20
\$3,450	0.35	0.69	0.86	0.96	1.03	1.08	1.11	1.14	1.16	1.18	1.20	1.22
\$4,000	0.33	0.67	0.84	0.95	1.03	1.08	1.12	1.15	1.18	1.20	1.22	1.23
\$5,000	0.30	0.64	0.81	0.93	1.02	1.08	1.13	1.17	1.20	1.22	1.24	1.26
\$6,650	0.26	0.61	0.78	0.90	1.00	1.08	1.14	1.19	1.22	1.25	1.28	1.30
\$6,750	0.25	0.60	0.78	0.90	1.00	1.08	1.14	1.19	1.23	1.26	1.28	1.31
\$7,500	0.24	0.59	0.77	0.89	0.99	1.07	1.14	1.19	1.23	1.27	1.30	1.32

Deductible Level	Coverage Month											
	1	2	3	4	5	6	7	8	9	10	11	12
\$0	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$500	2.23%	2.28%	2.25%	2.29%	2.29%	2.26%	2.24%	2.19%	2.18%	2.22%	2.28%	2.21%
\$1,000	0.00%	0.00%	0.00%	0.00%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%	0.00%
\$1,500	1.29%	1.27%	1.27%	1.31%	0.65%	0.68%	0.68%	0.69%	0.69%	0.70%	0.73%	0.74%
\$2,000	0.42%	0.42%	0.42%	0.44%	0.32%	0.32%	0.32%	0.34%	0.36%	0.35%	0.38%	0.38%
\$2,500	0.00%	0.00%	0.00%	0.00%	0.72%	0.71%	0.71%	0.71%	0.71%	0.68%	0.71%	0.70%
\$2,700	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$2,800	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$3,000	1.62%	1.63%	1.63%	1.58%	1.77%	1.77%	1.76%	1.73%	1.73%	1.74%	1.76%	1.65%
\$3,450	0.56%	0.58%	0.57%	0.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$4,000	0.76%	0.75%	0.79%	0.78%	0.80%	0.82%	0.82%	0.78%	0.74%	0.76%	2.38%	2.33%
\$5,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$6,650	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$6,750	1.88%	1.87%	1.87%	1.86%	1.12%	1.11%	1.11%	1.14%	1.12%	1.10%	1.12%	1.12%
\$7,500	0.13%	0.14%	0.13%	0.13%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Avg Policy Duration Factor 0.991  
 Inverse of Factor 1.009



**MVP Health Care, Inc.**  
AR44 Experience Rating Formula  
HMO Products  
For Large Employer Groups  
(100+ Employees as defined by regulation)  
Effective 01/01/25

## **INTRODUCTION**

MVP Health Plan, Inc. (“MVP”) markets Experience Rated HMO products to large employer groups as defined per Vermont regulation. Prospective experience rating and Retrospective experience rating methods are offered. In addition, a Minimum Premium Funding arrangement is available via a rider.

MVP’s large group rating formula has three parts. Part 1 develops a group specific manual pure premium. Part 2 develops a pure premium based on the group’s actual claims experience. Part 3 blends the two using credibility factors and then develops the group’s premium rates. The attached Exhibits A through C illustrate the calculation from start to finish and this document provides a description of each component. The actual factors used in the calculation are contained in a separate Experience Rating Addendum filing.

The addendum filing and the factors contained within will be reviewed and adjusted annually or as necessary. Whenever possible, the rating factors will be developed using MVP historical experience and will be normalized to MVP’s population.

## **II: MANUAL PURE PREMIUM (part 1)**

Part 1 of the formula is the calculation of the group specific Manual Pure Premium (the Adjusted Manual Pure Premium).

- 1. *Manual Pure Premium*** – The Manual Pure Premium rate table can be found in the Experience Rating Addendum. These rates reflect the expected claim cost for the book of business for each benefit offering for the rating period.
- 2. *Industry Factor*** – A factor to adjust for the group’s specific industry. The industry factor table can be found in the Experience Rating Addendum.
- 3. *Demographic Factor*** – A factor to adjust for the group’s specific demographic makeup. The demographic tables can be found in the Experience Rating Addendum.
- 4. *Manual Group Risk Assessment Factor*** - Rating factors to reflect specific characteristics of the group. See the Experience Rating Addendum for more information.
- 5. *HRA/HSA Funding Load Factor*** – The additional risk charge applies when a group funds a plan deductible. The charge is intended to account for the anticipated increase in utilization of services due to the resulting ‘first dollar’ coverage provided. See the Experience Rating Addendum for the applicable factors.

6. **Adjusted Manual Pure Premium** - The product of 1 through 5 above. This is the starting basis for the non-credible portion of the group's premium calculation.

### **III:EXPERIENCE PURE PREMIUM (part 2)**

For existing MVP groups, historical paid claim experience will be used. Period Weight is determined by the underwriter. The underwriters follow a general protocol for deriving the weights to apply for the Period Weight portion of the experience rating formula. Most groups are rated using 24 months of historical data, if the data is available, in order to provide a more stable block of data from which to do the rating. In these cases, the underwriter will generally give a 70% weight to the most recent 12 months of data and a 30% weight to the prior period of data. These weights may vary, however, and could be 50% / 50% if the underwriter feels more weight should be given to the older data. This may be the case if the current 12 months are exceptionally higher or lower than the prior period.

For groups new to MVP, historical paid claim information will be used if it is determined to be credible and appropriate. The data will be adjusted whenever possible to reflect differences in products and benefits being quoted and for differences in provider contracting and medical management. Any adjustments to the data will be documented in the group's rating file. If MVP is not satisfied with the historical paid claim data received, the Adjusted Manual Pure Premium will be used for the first policy year.

#### **PRIMARY INPUTS**

- Experience Period Start Date – The first date of the experience data, based on date of service.
- Experience Period End Date – The last date of the experience data, based on the date of service.
- Paid Through Date – The date the claims in the experience period are paid through. This is used to determine the appropriate IBNR completion factor to adjust claims.
- Midpoint of the Experience Period – Middle date of the period start date and the period end date

**Product Reflected in the experience** – The product previously offered and reflected in the experience. For MVP renewal groups, the benefits are known in detail. For new groups, MVP may have limited benefit detail. When applicable, adjustments to claim information will be determined based on this information.

**Product in the rate quote** – The product and benefits being quoted. All products quoted will have rates on file with the State of Vermont.

**Member Months** – The member months for the experience period.

***Out-of-Area Subscribers*** – The number of subscribers who are living outside of the MVP service areas.

#### CLAIM INFORMATION

1. ***Date of Service Paid Claims*** – The total claims paid for claims incurred in the experience period prior to adjusting for large claims and incurred but not reported claims.
2. ***Composite Completion Factor Adjustment*** – The factor used to complete paid claims. The completion factor depends on the length of the experience period and the number of months paid after the end of the experience period (or “claims runoff”). Factors are often applied during the data reporting and may also be included in #1 in an actual group calculation.
3. ***Incurred Claims*** - The projected total incurred claim cost for the group, adjusted for unpaid claims.
4. ***Other non Fee for Service medical expenses*** – The medical expenses associated with items like Capitation arrangements, Wellness Reward programs and Provider Incentive programs.
5. ***Pooling Level*** – The pooling level (attachment point) for the group. (See Experience Rating Addendum for details). Medical and Pharmacy claims will be included in the pooling calculation.
6. ***Actual Large Claims (excess over pooling level)*** – The claim amount in excess of the attachment point for all applicable claims in the experience period.
7. ***Pharmacy Rebate Factor*** – A factor to reflect pharmacy rebates received from MVP’s Pharmacy Benefit Manager. This represents an average percentage adjustment for MVP’s Rx community pool and is only applied to Rx costs. See Experience Rating Addendum for details.
8. ***Incurred Claims less Large Claims*** – The total Incurred Claims less the Large Claims.
9. ***Trend factor to midpoint of Projection Period*** – The trend rate based on the start and end date of the experience period and the renewal rating period. See the Experience Rating Addendum for trend factors.
10. ***Trended Net Claims*** – The Incurred Claims less Large Claims multiplied by the trend factor.
11. ***Trended PMPM Net Claims*** – The Trended Net Claims divided by the member month exposure for the experience period.



## EXPERIENCE ADJUSTMENTS

**12. Demographic Factor (Carrier Replacement Only)** – In the event MVP is requested to provide an experience rate for the entire group, a demographic adjustment may be warranted. If MVP is offered on a slice basis and the quote is for full carrier replacement, MVP may adjust their own experience to reflect the demographics of the entire group. If claims experience is obtained for the rest of the group then that will be used instead. See the Experience Rating Addendum for the demographic factors.

**13. Prior Period Adjustment Factor** – Most groups are rated using 24 months of historical data, if the data is available, in order to provide a more stable block of data from which to do the rating. In these cases, the underwriter will generally give a 70% weight to the most recent 12 months of data and a 30% weight to the prior period of data. These weights may vary, however, and could be 50% / 50% if the underwriter feels more weight should be given to the older data. This may be the case if the current 12 months are exceptionally higher or lower than the prior period.

The calculation of this adjustment factor is shown in the attached Exhibit B. The calculation of the Adjusted PMPM Net Claim amount is done in the same manner as in Exhibit A for the current experience period (Period 1) and is repeated for the prior experience period as well (Period 2). A weighted average of the two is then computed based on Period Weights assumed by the underwriter. The average PMPM is divided by the Period 1 PMPM to derive the Period Period Adjustment Factor.

**The Period weight** is the amount of weight given to each period. See the Experience Rating Addendum for details.

**14. Network Adjustment Factor** – An adjustment to reflect differences in network providers, contractual provider reimbursement rates, gatekeeper vs. no gatekeeper, and referral vs. open access between the experience period data and the product being quoted. The calculation of any adjustment to the paid claims will be documented in the group file. See Experience Rating Addendum for details.

**15. Benefit Adjustment** – An adjustment to reflect material differences between the benefits inherent in the groups historical paid claim experience and the benefits being proposed in the quote. The factor will be calculated and applied separately to the Medical vs. the Prescription Drug claims. The calculation of any adjustment to the paid claims will be documented in the group file. See Experience Rating Addendum for details.

16. **Pooling Charge %** - The load applicable to the pooling level selected. See Experience Rating Addendum for details.
17. **Adjusted PMPM Net Claims** – The net incurred claims after applying the experience adjustments.
18. **Covered Lives Assessment (CLA)** – The amount paid for the Covered Lives Assessment. See the Experience Rating Addendum for detail.
19. **Indigent Care** – The amount paid to the State Public Goods Pool. This does not apply to Rx claims. See Experience Rating Addendum for detail.
20. **Experience Pure Premium** – Equal to the Adjusted PMPM Net Claims multiplied by the Prior Period Adjustment Factor, if applicable plus the PMPM CLA and Indigent Care expenses.

#### **IV: EMPLOYER SPECIFIC PREMIUM RATES (part 3)**

The results of Sections II and III above are blended together using credibility factors to determine the blended pure premium. Final adjustments, explained below, are then applied to arrive at the premium for the group. The premiums for the group's specific tier structure being quoted are then derived from this.

##### **BLENDING OF EXPERIENCE PURE PREMIUM AND ADJUSTED MANUAL PURE PREMIUM**

1. **Adjusted Manual Pure Premium** –Section II, line 6
2. **Experience Pure Premium** –Section III, line 20
3. **Experience Credibility Weight** – The weight assigned to the Experience Pure Premium based on the member months from the experience period. See the Experience Rate Addendum for the applicable credibility table.
4. **Blended Pure Premium** – The weighted average of the Adjusted Manual Pure Premium and the Experience Pure Premium based on the credibility assigned to the group.
5. **Group Risk Assessment Factor** – Rating factors to reflect specific characteristics of the group. See the Experience Rating Addendum.
6. **New Business Discount Factor** – See the Experience Rate Addendum for details.
7. **Retrospective Financial Underwriting Factor** – The additional risk charge applied when the group is using retrospective experience rating. See the Experience Rating Addendum for the applicable factors.

8. **Network Access Fee** – In the event the group has members who live outside of MVP’s service area, MVP’s rental network assesses an out-of-network access fee. The access fee is charged per OOA subscriber and then translated into a PMPM fee based on the group’s total membership. See the Experience Rating Addendum for the network access fee.
9. **Retention Excluding Premium Tax** – The expense loads added to pure premium to cover general administrative fees, bad debt, risk charges, broker fees, net reinsurance, etc. See Experience Rating Addendum for details.
10. **Premium Tax** – The amount of premium tax. It is a percentage of premium and shown as a PMPM value. See Experience Rating Addendum for details.
11. **Group Required Pure Premium** –  $(4 \times 5 \times 6 \times 7) + 8 + 9 + 10$

#### **PREMIUM RATE DEVELOPMENT**

**12. Employer Specific Loading Factor** – Converts the Group Specific Pure Premium to Single, Double, Parent/Child(ren), and Family premiums. A group can choose a two-tier, three-tier, or four-tier billing structure. A group specific Step-Up Factor is calculated using the group census and the group’s desired load ratios.

If MVP doesn’t have credible census information for the group the premium conversion factors from an MVP community rate filing will be used.

13. **Final Premium Rates** – 11 x 12. When more than one plan is offered to an employer, the rates for each plan are developed in a consistent manner as described here. In the case where the employer’s own claim’s experience is being used to develop the premium rates, the actual claims are allocated back to the individual products based on the expected cost of each benefit plan.

**Renewal Rate Cap Guarantee** – A maximum renewal increase (cap) may be offered to select employer groups at point of sale for a new group or upon renewal for an existing group. If a cap is offered, the group’s next renewal premium derived via this formula will be constrained by the maximum agreed upon renewal increase. A cap will be considered only for groups with a minimum of 100 enrolled subscribers and where MVP is the only carrier offering health insurance to the group. The group must have 2 years of claim history available for review in the rate setting, regardless of whether it is a new or existing case and there are no ongoing large claimants. Groups that meet these selection criteria will be considered on a case by case basis for the cap offer. Not every group that meets these criteria will be offered a renewal increase cap. The maximum renewal increase offered will be at least equal to the projected trend rate used in the rate setting plus some margin. The amount of the margin will depend on the risk characteristics of the group.

## **V: RETROSPECTIVE EXPERIENCE RATE ACCOUNTING**

MVP offers two options for Retrospective Accounting:

- 1) Underwriting gains and losses are shared with the group
- 2) Only underwriting gains are shared with the group

All retrospectively rated groups will pay a risk charge above the standard retention expenses associated with prospectively rated groups. This risk charge is outlined in the Experience Rating Addendum filed under separate cover and updated annually.

The Underwriting gain or loss for each retrospectively rated large group is determined annually using the prior policy years' incurred claim expense and 3 months of paid claim run out plus an additional amount for assumed IBNR claims.

To determine if the group is in a gain or loss position the actual premium collected over the policy year is compared to the actual incurred claims (including an estimate for IBNR) plus the PMPM fee for service medical claim expenses and non claim expenses from the group's premium rate development for that policy year. The actual incurred claims used will be net of any individual member claims over the pooling point purchased by the group for that policy year. In order to accommodate requests for this funding arrangement by groups with known ongoing high cost risks, claimants may be identified for exclusion from pooling on the settlement or pooling may be removed from the settlement at the time of the quote.

The group is in a gain position if the actual premium collected is greater than the sum of the estimated total incurred claims, the non fee for service medical expenses and the non claim expenses. If not, the group is in a loss position. Underwriting gains, or a portion of, are returned to the group. Underwriting losses, depending on the group contract, will either be the groups or MVP's responsibility.

## **VII: MINIMUM PREMIUM FUNDING ARRANGEMENT**

An employer group can use Minimum Premium Funding by attaching a Minimum Premium Funding Arrangement (MPFA) rider to the group contract. MVP will utilize the large group formula to establish the Claims Liability Rate and other items in the MPFA rider. Exhibit A, attached, Section V. shows the calculations necessary to complete the MPFA rider.

1. ***Final Premium Rates*** – The final rates as determined using the MVP Large Group formula.
2. ***Retention Rate*** – The amount of retention included in the Final Premium Rates. The group is billed separately for retention charges.

3. **Claims Liability Rate (CLR)** – Line 1 minus Line 2, or the premium rates without retention.
4. **Claims Fluctuation Margin** - Addendum value. Also sometimes referred to as the Minimum Premium “Risk Corridor”, the amount of risk over the claims projection to be absorbed by the employer group. The amount of risk assumption will vary by group size and risk characteristics of the group.
5. **Maximum Monthly Premium Liability (MPL)** – Line 3 x Line 4 x the number of subscribers in each premium tier for the month. The MPL will be used to determine any monthly gain or loss by comparing against actual claims in the month. Over the contract period, the cumulative gain or loss is determined by comparing the cumulative MPT to the cumulative actual claims paid. Settlements of gains and losses will be described in the MPFA rider language.

## **VIII: COLLECTIVE ARRANGEMENTS**

MVP will allow groups from similar industries to form a collective arrangement which will be bound by the bylaws of the trust agreement in which they enter. All of the groups within the collective will have at least 100 employees and meet Vermont’s large group size definition if they were rated separately. Rates for the collective will be calculated as follows:

**Step I)** Each group within the collective will be rated separately using the experience rating formula outlined above assuming 100% credibility with a low pooling level and no pooling charges will be applied.

**Step II)** The total collective group rate will be determined using MVP’s experience rating formula outlined above. The pooling level used in this step will be greater than the pooling level(s) used in step I. MVP’s filed pooling charges and credibility will be applied.

**Step III)** The difference between the calculated premium in step I and step II will be determined on a PMPM basis and added back to the individual group rates determined in step I.

Please see Exhibit C of the attached formula for an illustrative example of this calculation.

## **IX: EARLY QUOTING CLAUSE**

Large Employers often require firm rate proposals 7-9 months in advance of the renewal effective date due to the effort required to coordinate renewals from multiple carriers and prepare open enrollment materials for their employees. It is usually the case that MVP does not yet have the next calendar year addendum values finalized and ready to quote and file this far in advance.

Upon request, for accounts with at least 2,000 total employees, MVP will develop the group's premium rates based on the current formula and addendum values. Once MVP finalizes the next calendar year addendum factors and formula, all rates calculated thereafter will be based on the updated formula and addendum.

## **CERTIFICATION**

I believe the rating formula described herein is consistent with industry norms, follows sound actuarial and underwriting principals and the rating factors used and documented in the Experience Rating Addendum are reasonable relative to MVP's book of business and industry norms.

I have reviewed the provisions of Vermont Insurance Law. It is my opinion that this rating formula complies with the requirements of those provisions.



Matthew Lombardo, FSA, MAAA  
Chief Actuary  
MVP Health Care, Inc.

7/31/2024

Date

Large Group Historical Medical & Rx Claims Summary - Total

Rolling 12 End Date	Medical + Rx Claim Expense > \$250k PMPM	Medical Claim Expense PMPM	Rx Claim Expense PMPM	Medical Allowed - COB PMPM	Rx Allowed PMPM	Member Months	Claims > \$250k as % of Claims < \$250k	Rolling 12 Medical Claim Expense Trend	Rolling 12 Rx Claim Expense Trend	Rolling 12 Paid Trend Removing High Cost Claims	Rolling 12 Medical Allowed - COB Trend	Rolling 12 Rx Allowed Trend	Rolling 12 Membership Change	Paid To Allowed Ratio
202204	\$25.04	\$444.67	\$111.47	\$544.87	\$121.10	24,179	4.7%	N/A	N/A	N/A	N/A	N/A	N/A	83.5%
202205	\$24.34	\$449.75	\$112.22	\$547.50	\$121.81	23,897	4.5%	N/A	N/A	N/A	N/A	N/A	N/A	84.0%
202206	\$24.93	\$448.00	\$112.88	\$543.87	\$122.45	23,608	4.7%	N/A	N/A	N/A	N/A	N/A	N/A	84.2%
202207	\$24.86	\$442.87	\$113.18	\$537.34	\$122.75	23,319	4.7%	N/A	N/A	N/A	N/A	N/A	N/A	84.2%
202208	\$23.50	\$437.06	\$112.50	\$530.19	\$122.09	23,028	4.5%	N/A	N/A	N/A	N/A	N/A	N/A	84.3%
202209	\$21.21	\$444.62	\$110.96	\$537.95	\$120.56	22,761	4.0%	N/A	N/A	N/A	N/A	N/A	N/A	84.4%
202210	\$20.53	\$449.15	\$111.53	\$543.39	\$121.05	22,483	3.8%	N/A	N/A	N/A	N/A	N/A	N/A	84.4%
202211	\$20.51	\$444.88	\$111.80	\$539.51	\$121.59	22,240	3.8%	N/A	N/A	N/A	N/A	N/A	N/A	84.2%
202212	\$19.45	\$430.12	\$112.61	\$524.35	\$122.45	21,996	3.7%	N/A	N/A	N/A	N/A	N/A	N/A	83.9%
202301	\$20.91	\$428.81	\$112.09	\$525.82	\$121.91	21,824	4.0%	N/A	N/A	N/A	N/A	N/A	N/A	83.5%
202302	\$18.76	\$439.94	\$112.22	\$537.91	\$122.29	21,702	3.5%	N/A	N/A	N/A	N/A	N/A	N/A	83.6%
202303	\$16.33	\$460.50	\$111.38	\$560.88	\$121.38	21,561	2.9%	N/A	N/A	N/A	N/A	N/A	N/A	83.8%
202304	\$13.35	\$477.26	\$112.42	\$577.32	\$122.60	21,398	2.3%	7.3%	0.9%	8.5%	6.0%	1.2%	-11.5%	84.2%
202305	\$11.39	\$471.60	\$112.38	\$574.57	\$122.68	21,230	2.0%	4.9%	0.1%	6.5%	4.9%	0.7%	-11.2%	83.8%
202306	\$11.48	\$472.25	\$114.82	\$575.88	\$125.20	21,049	2.0%	5.4%	1.7%	7.4%	5.9%	2.2%	-10.8%	83.7%
202307	\$11.24	\$505.39	\$118.14	\$606.84	\$128.40	20,562	1.8%	14.1%	4.4%	15.3%	12.9%	4.6%	-11.8%	84.8%
202308	\$9.32	\$521.20	\$116.96	\$622.67	\$126.94	20,057	1.5%	19.3%	4.0%	19.5%	17.4%	4.0%	-12.9%	85.1%
202309	\$8.52	\$524.92	\$119.11	\$626.28	\$128.99	19,548	1.3%	18.1%	7.3%	18.9%	16.4%	7.0%	-14.1%	85.3%
202310	\$7.97	\$529.43	\$121.32	\$633.47	\$131.64	19,043	1.2%	17.9%	8.8%	19.0%	16.6%	8.7%	-15.3%	85.1%
202311	\$7.30	\$541.15	\$123.50	\$645.67	\$134.03	18,546	1.1%	21.6%	10.5%	22.6%	19.7%	10.2%	-16.6%	85.2%
202312	\$6.63	\$567.03	\$123.55	\$671.99	\$133.98	18,041	1.0%	31.8%	9.7%	30.7%	28.2%	9.4%	-18.0%	85.7%
202401	\$7.90	\$572.42	\$122.95	\$679.07	\$134.25	17,937	1.1%	33.5%	9.7%	32.2%	29.1%	10.1%	-17.8%	85.5%
202402	\$7.24	\$569.89	\$125.63	\$679.03	\$136.97	17,837	1.1%	29.5%	11.9%	29.0%	26.2%	12.0%	-17.8%	85.2%
202403	\$10.93	\$559.58	\$131.73	\$667.79	\$143.41	17,736	1.6%	21.5%	18.3%	22.5%	19.1%	18.1%	-17.7%	85.2%
202404	\$14.04	\$568.36	\$134.21	\$678.44	\$145.79	17,661	2.0%	19.1%	19.4%	19.5%	17.5%	18.9%	-17.5%	85.2%

Summary of Historical Rx Claims Broken Out by Rx Category - Total							
Size	Product Type	Rolling 12		Allowed	Member Months	Allowed PMPM	Rolling 12 Allowed Trend
		End Date YYYYMM	Rx Category				
Large	ALL	202204	1 Generic	\$613,153	24,179	\$25.36	N/A
Large	ALL	202205	1 Generic	\$624,595	23,897	\$26.14	N/A
Large	ALL	202206	1 Generic	\$630,235	23,608	\$26.70	N/A
Large	ALL	202207	1 Generic	\$636,278	23,319	\$27.29	N/A
Large	ALL	202208	1 Generic	\$627,656	23,028	\$27.26	N/A
Large	ALL	202209	1 Generic	\$609,310	22,761	\$26.77	N/A
Large	ALL	202210	1 Generic	\$590,585	22,483	\$26.27	N/A
Large	ALL	202211	1 Generic	\$571,177	22,240	\$25.68	N/A
Large	ALL	202212	1 Generic	\$554,713	21,996	\$25.22	N/A
Large	ALL	202301	1 Generic	\$539,580	21,824	\$24.72	N/A
Large	ALL	202302	1 Generic	\$531,252	21,702	\$24.48	N/A
Large	ALL	202303	1 Generic	\$528,541	21,561	\$24.51	N/A
Large	ALL	202304	1 Generic	\$521,248	21,398	\$24.36	-3.9%
Large	ALL	202305	1 Generic	\$507,928	21,230	\$23.93	-8.5%
Large	ALL	202306	1 Generic	\$493,033	21,049	\$23.42	-12.3%
Large	ALL	202307	1 Generic	\$470,965	20,562	\$22.90	-16.1%
Large	ALL	202308	1 Generic	\$441,566	20,057	\$22.02	-19.2%
Large	ALL	202309	1 Generic	\$426,260	19,548	\$21.81	-18.5%
Large	ALL	202310	1 Generic	\$412,902	19,043	\$21.68	-17.5%
Large	ALL	202311	1 Generic	\$398,207	18,546	\$21.47	-16.4%
Large	ALL	202312	1 Generic	\$385,189	18,041	\$21.35	-15.3%
Large	ALL	202401	1 Generic	\$377,988	17,937	\$21.07	-14.8%
Large	ALL	202402	1 Generic	\$361,689	17,837	\$20.28	-17.2%
Large	ALL	202403	1 Generic	\$339,411	17,736	\$19.14	-21.9%
Large	ALL	202404	1 Generic	\$332,597	17,661	\$18.83	-22.7%
Large	ALL	202204	2 Brand	\$555,938	24,179	\$22.99	N/A
Large	ALL	202205	2 Brand	\$543,443	23,897	\$22.74	N/A
Large	ALL	202206	2 Brand	\$537,869	23,608	\$22.78	N/A
Large	ALL	202207	2 Brand	\$556,256	23,319	\$23.85	N/A
Large	ALL	202208	2 Brand	\$556,937	23,028	\$24.19	N/A
Large	ALL	202209	2 Brand	\$562,429	22,761	\$24.71	N/A
Large	ALL	202210	2 Brand	\$565,496	22,483	\$25.15	N/A
Large	ALL	202211	2 Brand	\$575,538	22,240	\$25.88	N/A
Large	ALL	202212	2 Brand	\$556,718	21,996	\$25.31	N/A
Large	ALL	202301	2 Brand	\$566,531	21,824	\$25.96	N/A
Large	ALL	202302	2 Brand	\$569,776	21,702	\$26.25	N/A
Large	ALL	202303	2 Brand	\$556,318	21,561	\$25.80	N/A
Large	ALL	202304	2 Brand	\$554,917	21,398	\$25.93	12.8%
Large	ALL	202305	2 Brand	\$563,961	21,230	\$26.56	16.8%
Large	ALL	202306	2 Brand	\$569,832	21,049	\$27.07	18.8%
Large	ALL	202307	2 Brand	\$560,557	20,562	\$27.26	14.3%
Large	ALL	202308	2 Brand	\$554,810	20,057	\$27.66	14.4%
Large	ALL	202309	2 Brand	\$536,466	19,548	\$27.44	11.1%
Large	ALL	202310	2 Brand	\$529,490	19,043	\$27.80	10.5%
Large	ALL	202311	2 Brand	\$528,328	18,546	\$28.49	10.1%
Large	ALL	202312	2 Brand	\$521,641	18,041	\$28.91	14.2%
Large	ALL	202401	2 Brand	\$518,653	17,937	\$28.92	11.4%
Large	ALL	202402	2 Brand	\$529,425	17,837	\$29.68	13.1%
Large	ALL	202403	2 Brand	\$544,278	17,736	\$30.69	18.9%
Large	ALL	202404	2 Brand	\$573,015	17,661	\$32.45	25.1%
Large	ALL	202204	3 Specialty	\$1,758,887	24,179	\$72.74	N/A
Large	ALL	202205	3 Specialty	\$1,742,861	23,897	\$72.93	N/A
Large	ALL	202206	3 Specialty	\$1,722,670	23,608	\$72.97	N/A
Large	ALL	202207	3 Specialty	\$1,669,856	23,319	\$71.61	N/A
Large	ALL	202208	3 Specialty	\$1,626,858	23,028	\$70.65	N/A
Large	ALL	202209	3 Specialty	\$1,572,334	22,761	\$69.08	N/A
Large	ALL	202210	3 Specialty	\$1,565,549	22,483	\$69.63	N/A
Large	ALL	202211	3 Specialty	\$1,557,481	22,240	\$70.03	N/A
Large	ALL	202212	3 Specialty	\$1,581,943	21,996	\$71.92	N/A
Large	ALL	202301	3 Specialty	\$1,554,496	21,824	\$71.23	N/A
Large	ALL	202302	3 Specialty	\$1,552,865	21,702	\$71.55	N/A
Large	ALL	202303	3 Specialty	\$1,532,152	21,561	\$71.06	N/A
Large	ALL	202304	3 Specialty	\$1,547,129	21,398	\$72.30	-0.6%
Large	ALL	202305	3 Specialty	\$1,532,508	21,230	\$72.19	-1.0%
Large	ALL	202306	3 Specialty	\$1,572,444	21,049	\$74.70	2.4%
Large	ALL	202307	3 Specialty	\$1,608,720	20,562	\$78.24	9.3%
Large	ALL	202308	3 Specialty	\$1,549,624	20,057	\$77.26	9.4%
Large	ALL	202309	3 Specialty	\$1,558,772	19,548	\$79.74	15.4%
Large	ALL	202310	3 Specialty	\$1,564,345	19,043	\$82.15	18.0%
Large	ALL	202311	3 Specialty	\$1,559,163	18,546	\$84.07	20.0%
Large	ALL	202312	3 Specialty	\$1,510,263	18,041	\$83.71	16.4%
Large	ALL	202401	3 Specialty	\$1,511,314	17,937	\$84.26	18.3%
Large	ALL	202402	3 Specialty	\$1,552,019	17,837	\$87.01	21.6%
Large	ALL	202403	3 Specialty	\$1,659,775	17,736	\$93.58	31.7%
Large	ALL	202404	3 Specialty	\$1,669,098	17,661	\$94.51	30.7%



## **MVP Health Plan (“MVPHP”) Experience Rated Addendum –2025 Effective Dates**

This document is an Addendum to MVP’s 2025 Manual Rate Filing and Experience Rating Formula for products sold to employer groups with 100 or more employees in the State of Vermont under MVP’s Health Plan license. This addendum and its appendices outline the rating factors discussed in the Experience Rating Formula. These factors are being filed as an addendum to the Manual Rate and Formula filings so they can be updated as deemed necessary by MVP without having to re-file the rating methodology.

Whenever possible, the rating factors contained herein will be based on actual MVP experience or they will be normalized to MVP’s population.

### **BASE MANUAL RATES**

Please see Exhibits 4a (base manual rates), 4b (medical riders), and 4c (Rx riders) of the accompanying manual rate filing for the net PMPMs of plans and riders being offered by MVP for 2025 effective dates.

### **SIC FACTORS**

The industry factors in Appendix A will be applied to the manual rates based on the employer’s industry.

### **DEMOGRAPHIC FACTORS**

To more closely resemble the health risk of the employer’s insured population, the manual pure premium will be adjusted to reflect differences in the demographic characteristics of a specific employer group compared to MVP’s community pool for the chosen product. This demographic factor will be applied to both the base rate and riders.

With respect to the employer specific experience rate, there may be a situation where MVP will be the sole health plan offering and be required to adjust the experience to reflect anticipated health characteristics of the entire group versus just MVP’s members who were enrolled in the previous year under a slice product offering. In this situation, MVP will develop a demographic factor relative of the entire group and compare that to the demographics of their existing employer membership.

The demographic factors are in Appendix B. A per member demographic factor is calculated as the weighted average subscriber age/sex factor / weighted average subscriber average contract size.

For members that are considered to have Medicare as their primary coverage, a downward adjustment factor will be applied to the member’s demographic factor to reflect the reduced claim liability. This factor is in Appendix B.

### **HRA/HSA DEDUCTIBLE FUNDING FACTORS**

The additional risk charge applies when a group funds a plan deductible. The charge is intended to account for the anticipated increase in utilization of services due to the resulting ‘first dollar’ coverage provided. The manual rate adjustment factors are in Appendix C.

**POOLING CHARGES**

Each group is assessed a pooling charge and all claims above the applicable attachment point are removed from their claim data. Medical and Rx claims for each member are combined to determine member claims over the attachment point. The charge is based on the following table:

<b>Pooling Level</b>	<b>2025 Pooling Charge</b>
\$80,000	24.95%
\$90,000	22.09%
\$100,000	19.80%
\$125,000	15.78%
\$150,000	13.01%
\$175,000	10.93%
\$200,000	9.35%
\$250,000	7.08%
\$300,000	5.47%
\$350,000	4.36%
\$400,000	3.57%
\$450,000	2.97%
\$500,000	2.43%

Group size will be considered when selecting the appropriate pooling charge. In some instances, MVP will use a pooling level outside of the range below to match the current pooling level.

<b>Avg. Subscribers</b>	<b>Pooling Level Range</b>
Up to 299	\$100,000 - \$200,000
300-499	\$150,000 - \$250,000
500-999	\$200,000 - \$300,000
1,000-1,499	\$250,000 - \$350,000
1,500-2,499	\$350,000 - \$450,000
2,500 and up	\$450,000 - \$500,000

**TREND FACTORS**

The following trends are used to project historical experience of the group to the proposed rating period. Exhibit 2a and Exhibit 2b are developed by applying the appropriate pro-rated calendar year trend factors from the midpoint of the experience period to the midpoint of the rating period. There are different trends for medical and pharmacy claims.

<b>Year</b>	<b>Allowed Medical Trend</b>	<b>Pharmacy Trend</b>
2024	4.5%	5.9%
2025	5.8%	9.7%
2026 & Beyond	5.8%	9.3%

<b>Annual Leveraging Factor</b>	0.6%
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### **NETWORK ADJUSTMENT FACTOR**

This adjustment reflects changes with respect to the differences in network providers, contractual provider reimbursement rates, the degree of medical management for MVP versus other carriers, gatekeeper versus no gatekeeper, and referral versus open access. For those accounts enrolled in MVP, this factor will primarily represent differences in provider contractual arrangements. If the experience is coming from another carrier, the adjustment may reflect all of the items above. MVP will make every effort to develop actuarial adjustments that properly determine the appropriate factor to reflect the expected experience of the group.

The development of such a factor will be documented in the underwriter's group file and will be made available to in Insurance Department's actuaries and/or examiners on request.

### **BENEFIT ADJUSTMENT FACTOR**

The purpose of the benefit adjustment is to reflect any difference between the benefits inherent in the group's historical claims experience period and the group's expected benefit plan for the prospective benefit period. This includes medical benefits and pharmacy benefits.

Based on filed manual rates, the underwriter will determine the value of the benefit adjustment factor by analyzing the actuarial equivalent difference in benefits. As it relates to a new group having experience from another carrier, the underwriter will use their best efforts to match up prior benefits to a currently filed benefit to determine the actuarial equivalent difference in benefits. In some cases, this may require interpolating between two manual rates, extrapolating from the filed manual rates, using other sources such as the Milliman USA guidelines, or other internal pricing models.

Other adjustments in this category may include benefit mandates. That is, mandated benefits that will be included in the future benefits, but not reflected in the group's experience.

The development of such a factor will be documented in the underwriter's group file and will be made available to in Insurance Department's actuaries and/or examiners on request.

### **PHARMACY REBATE FACTOR**

Pharmacy rebates are received periodically. The pharmacy rebate factor of 0.6 is used to account for this reduction in pharmacy costs and reflects MVP's estimated pharmacy rebates received for 2025 dates of service. This reduction will only apply if the paid pharmacy claims do not already reflect pharmacy rebates. In the case where the employer group is not an MVP group, the underwriter will determine if the claims data provided includes or excludes rebates from the other carrier.

### **PERIOD WEIGHT**

Period Weight is determined by the underwriter. The underwriters follow a general protocol for deriving the weights to apply for the Period Weight portion of the experience rating formula. Most groups are rated using 24 months of historical data, if the data is available, in order to provide a more stable block of data from which to do the rating. In these cases, the underwriter will generally give a 70% weight to the most recent 12 months of data and a 30% weight to the prior period of data. These weights may vary, however, and could be 50% / 50% if the underwriter feels more weight should be given to the older data. This may be the case if the current 12 months are exceptionally higher or lower than the prior period.

### **CREDIBILITY WEIGHT**

To protect the employer from significant rate fluctuation from year to year, MVP will be applying a credibility weight to the group's claim experience.

In determining a group's quoted rate, a weight will be given to the group's claims experience based on the number of member months in the experience period. The complement of the weight will be applied to the manual rate. The blended rate is one that will be quoted to the employer group. Below are the base credibility weightings:

Member Month Range	Credibility Factor
0 to 3,999	10%
4,000 to 5,999	20%
6,000 to 7,999	30%
8,000 to 9,999	40%
10,000 to 11,999	50%
12,000 to 13,999	60%
14,000 to 15,999	70%
16,000 to 17,999	80%
18,000 to 19,999	90%
20,000 and over	100%

These experience credibility weightings can be adjusted downward based on the underwriter's judgment in the following circumstances:

***The employer group has provided less than 24 months of incurred claims data or data is not provided for all services or employees*** – Generally, a minimum of two full calendar years of incurred claims data for all populations and covered services included in the quote is desired to underwrite a case. In the event less than 24 months of data is available, the underwriter can adjust the credibility table downward, not to be less than 0%.

***The employer group has had membership change by 50% or more since the experience period*** – With a significant membership change, the historical claims experience may no longer represent the group's current population. If the membership has changed by more than 50% from the experience period to the rating period, the underwriter may override the table above to reduce credibility downward, not to be less than 0%.

***The most recent experience data provided is too old*** – Generally, from the mid-point of the experience period to the mid-point of the rating period should not be older than 24 months. If the more recent period of data is older than 24 months, the underwriter may adjust the credibility table downward, not to be less than 0%.

MVP may also make an upward adjustment to the table if the group has a favorable group risk assessment. The credibility percentage will never exceed 100%.

#### **MANUAL GROUP RISK ASSESSMENT**

On occasion, the underwriter may have more information available to them than the Formula uses to calculate these rates. The underwriter may determine that the resulting rate is not representative of the expected risk of the group. In these cases, adjustments may be made to the Group Specific Manual Rate to appropriately reflect the expected risk.

#### **TOTAL PREMIUM RATE GROUP RISK ASSESSMENT FACTORS**

The group risk assessment factor is used to adjust the rate after the blending of the manual and experience rated portions of the formula that the underwriter deems appropriate based on the information that is available about the group. The underwriter will evaluate the group relative to the categories below and adjust the blended rate where appropriate to reflect anticipated changes in the population not otherwise accounted for.

<b>Plan Sponsor Persistency</b>	
Current Carrier (including MVP) for 2 renewals	-5% to 0%
Only one renewal with current carrier	0% to 5%
<b>Population Stability</b>	
Consistent enrollment or growth, minimal changes or explained one time changes ok	-5% to 0%
Consistent decreases or no pattern to enroll changes	0% to 5%
<b>Participation</b>	
Over 50% of FTE's Enrolled in MVP	-5% to 0%
25-50% of FTE's Enrolled In MVP	-2% to 0%
Less than 25% of FTE's Enrolled in MVP	0% to 5%
<b>Frequency of RFP/Proposals</b>	
Quotes Requested frequently, Every 1-2 years	0% to 3%
Quotes Requested Infrequently, Every 3-5 years or more	-5 to -3%
<b>Data Confidence, Completeness of Submission (New Group or 1<sup>st</sup> Renewal Only)</b>	
All requested data is provided	-5% to 0%
Missing or questionable information provided or data old, gap in data periods, etc.	0% to 5%
MVP prior history with account favorable prior to term but claims cannot be used due to a gap in timeframe or other changes	-5% to 0%
<b>Risk Score Adjustment (MVP Renewals with 1+ Years of claims)</b>	
Prospective Risk Score < Retrospective Risk Score	-5% to 0%
Prospective Risk Score > Retrospective Risk Score	0% to 5%

Retrospective risk score uses historical claims and demographic information to indicate a member's health risk over the time period being analyzed. Prospective risk score uses historical claims and demographic information to indicate a member's projected future health risk. Claims in the experience period which are not expected to occur in the future are reflected in the retrospective risk score while they are not reflected in the prospective risk score. Also included in prospective risk score would be conditions that have not yet occurred for a member but are expected to occur based on the member's historical claims and demographic information.

#### **NETWORK ACCESS FEES AND OTHER FEES**

MVP has a contracted network access fee with a rental network in the event a group has members that live outside of MVP's service area. The net access fee is \$0 PMPM for just those subscribers who live outside of the service area.

#### **COVERED LIVES ASSESSMENT**

This is a New York State assessment passed on to groups in premium rates. The 2024 CLA rates are published on the NYS Department of Health website while 2025 is projected with a 5% increase assumed over 2024.

Region	2024 Actual		2025 Projected	
	Individual	Family	Individual	Family
New York City	\$15.75	\$51.97	\$16.54	\$54.57
Long Island	\$5.19	\$17.14	\$5.45	\$18.00
Northern Metro	\$3.18	\$10.50	\$3.34	\$11.03
Northeastern	\$3.76	\$12.42	\$3.95	\$13.04
Utica/Watertown	\$0.85	\$2.82	\$0.90	\$2.96
Central	\$5.64	\$18.61	\$5.92	\$19.54
Rochester	\$10.22	\$33.74	\$10.73	\$35.42
Western	\$3.78	\$12.32	\$3.96	\$12.94

MVP will calculate the CLA with the group information that is available. For example, on a new business case, the number of single contracts by location may not be available. In that case, the CLA may have to be estimated based on the group's overall number single and family contracts and assume the same ratio exists in each region.

#### **HCRA ASSESSMENT**

This is another New York State assessment based on Hospital claims. A charge of 0.15% will be applied to the experience of new business quotes; this is consistent with the amount reflected in the manual portion of the rate.

#### **RETENTION EXPENSES**

Non-claim cost expenses must be added to the premium rates and can be per member per month (PMPM) charges, percent of paid claim charges, or percent of premium charges. The following tables reflect the retention loads:

##### Percent of Premium Retention:

General Administration = 7.8%

Bad Debt = 0.25%

Broker Loads = group specific

##### Percent of Premium Taxes/Fees:

Contribution to Surplus = 2.0%

VT Vaccine Assessment = 0.49%

##### Percent of Paid Claim Surcharges:

VT Paid Claims Surcharge = 0.999%

##### PMPM Taxes/Assessments:

18 VSA 9374(h) Billback = \$2.53

Comparative Eff Research Tax = \$0.27

#### **EMPLOYER SPECIFIC PREMIUM RATES**

The experience rating formula filing details the calculation of employer specific premium rates by using employer specific information. In the event the employer group cannot supply sufficient information to calculate employer specific conversion factors, the following community load ratios will be used:

Single=1.0

Double=2.0

Family 2 tier=2.5

Family 3 tier=2.6

Family 4 tier= 2.8

Parent Child 4 tier= 1.9

#### **RETROSPECTIVE RATING**

The risk charges for a group choosing to be rated retrospectively are outlined below:

*(NO DEFICIT CARRY FORWARD/80% SURPLUS REFUND FOR GROUPS 251+, 50% REFUND FOR GROUPS LESS THAN 251)*

Groups with 1,000+ enrolled subscribers = 1.020

Groups with 251-999 enrolled subscribers = 1.020

Groups with 51-250 enrolled subscribers = 1.020

**MINIMUM PREMIUM FUNDING ARRANGMENTS**

The following table shows the Claims Fluctuation Margin (CFM) available for groups of different sizes. The appropriate level of CFM will depend on the group’s size and risk assessment. Groups that are smaller with a higher risk assessment will have a higher CFM. Because of the risk involved with minimum premium funding, at the smaller group size, the underwriter will use judgment to determine if minimum premium funding is allowed.

<b>Group Size</b>	<b>CFM</b>
100-249	120%, 125%, or 130%
249-499	115%, 120%, or 125%
500-999	110%, 115%, or 120%
1,000+	105%, 110%, or 115%

**ACTUARIAL CERTIFICATION**

I believe the rating factors described herein are consistent with industry norms, follows sound actuarial and underwriting principals, and the rating factors used and documented in the Experience Rating Addendum are reasonable relative to MVP’s book of business and industry norms.

I have reviewed the provisions of Vermont Insurance Law. It is my opinion that this rating formula complies with the requirements of those provisions.



**Matthew Lombardo, FSA, MAAA**  
Chief Actuary  
MVP Health Care



**MVP Health Care -- 2025 LG HMO Rate Filing**

Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - December 31, 2025

- Exhibit 1 -- Summary of Medical Coplans Offered
- Exhibit 2a -- 1Q 2025 Pricing Trend Assumptions
- Exhibits 2b -- 1Q 2025 Rx Paid Trend Development
- Exhibit 3a -- 1Q 2025 Claim Projection and Proposed Rate Change
- Exhibit 3b -- Quarterly Changes
- Exhibit 3c -- Revenue Neutrality
- Exhibit 4a -- Medical Manual Rates
- Exhibit 4b -- Medical Rider Rates
- Exhibit 4c -- Rx Rider Rates
- Exhibit 4d -- POS Rider Rates



**Exhibit 1 -- Summary of Medical Coplans Offered**

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between January 1, 2025 - December 31, 2025

HMO Coplan	Product Type	In-Network Benefits										Pharmacy
		PCP	SCP	IP (Med/Surg)	ER	OP Surg	DME	Amb	Ded	Coins.	OOP Max	
VT5HMO087ZLAN	HMO	\$25	\$40	\$500	\$100	\$150	50%	\$100	\$0	0%	\$5,300	Riders Available
VT5HMO091ZLAE	HyHMO	\$20	\$20	20%	\$100	20%	50%	20%	\$3,000	20%	\$5,300	Riders Available
VT5HMO092ZLAE	HyHMO	\$20	\$20	20%	\$100	20%	50%	20%	\$1,000	20%	\$2,000	Riders Available
VT5HMO095ZLAE	HyHMO	\$25	\$40	20%	\$100	20%	50%	20%	\$1,000	20%	\$3,000	Riders Available
VT5HMO100ZLAE	HyHMO	\$25	\$40	20%	\$100	20%	50%	20%	\$2,000	20%	\$4,000	Riders Available
VT5HMO101ZLAE	HyHMO	\$25	\$40	20%	\$100	20%	50%	20%	\$3,000	20%	\$5,300	Riders Available
VT5HMO103ZLAE	HyHMO	\$30	\$50	20%	\$100	20%	50%	20%	\$1,000	20%	\$3,000	Riders Available
VT5HMO107ZLAE	HyHMO	\$30	\$50	20%	\$100	20%	50%	20%	\$3,000	20%	\$5,300	Riders Available
VT5HMO110ZLAE	HyHMO	\$30	\$30	20%	\$200	20%	50%	20%	\$2,000	20%	\$5,300	Riders Available
VT5HMO116ZLAE	HyHMO	\$30	\$50	\$0	\$200	\$0	50%	\$0	\$5,000	0%	\$5,300	Riders Available
VT5HMO118ZLAE	HyHMO	\$30	\$0	\$0	\$0	\$0	0%	\$0	\$4,000	0%	\$4,000	Riders Available
VT5HDH01AXLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,650	0%	\$3,300	\$10/\$30/\$50
VT5HDH02AXLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	0%	\$3,500	\$10/\$30/\$50
VT5HDH08AXLA	HDHMOagg	20%	20%	20%	20%	20%	20%	20%	\$2,000	20%	\$4,000	20%/20%/40%
VT5HDH09AXLA	HDHMOagg	20%	20%	20%	20%	20%	20%	20%	\$2,500	20%	\$5,000	20%/20%/40%
VT5HDH15AXLA	HDHMOagg	20%	20%	20%	20%	20%	20%	20%	\$2,500	20%	\$5,000	50%
VT5HDH19EXLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	0%	\$5,000	\$0 after Deductible
VT5HDH43EXLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$4,000	0%	\$4,000	\$0 after Deductible
VT5HDH46AXLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	0%	\$0	\$3,000	0%	\$3,000	\$0 after Deductible
VT5HDH50EXLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500	0%	\$7,500	\$0 after Deductible
VT5HDH51EXLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,650	0%	\$6,650	\$0 after Deductible
VT5HDH52AXLA	HDHMOagg	30%	30%	30%	30%	30%	30%	30%	\$3,200	30%	\$6,400	30%/30%/50%
VT5HDH55AXLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,750	0%	\$6,750	\$0 after Deductible
VT5HDH56AXLA	HDHMOagg	\$35	\$60	\$1,000	\$200	\$500	50%	\$50	\$2,700	0%	\$6,750	\$10/\$40/\$60
VT5HDH58AXLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	0%	\$4,000	\$0 after Deductible
VT5HDH59AXLA	HDHMOagg	\$35	\$60	\$1,000	\$200	\$500	50%	\$50	\$5,000	0%	\$6,550	\$10/\$40/\$60
VT5HDH60EXLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,300	0%	\$3,300	\$0 after Deductible
VT5HMO119ZLAE	HyHMO	\$25	\$50	20%	\$200	20%	50%	20%	\$500	20%	\$1,250	Riders Available
VT5HMO120ZLAE	HyHMO	\$25	\$50	30%	\$150	30%	50%	30%	\$750	30%	\$2,000	Riders Available
VT5HMH122XLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,200	0%	\$9,200	\$0 after Deductible
VT5HMH123XLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,700	0%	\$8,700	\$10/\$30/\$50
VT5HMH124XLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000	0%	\$4,000	\$10/\$30/\$50
VT5HMH125XLA	HDHMOagg	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,900	0%	\$6,900	\$10/\$30/\$50
VT5HMH126XLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,900	0%	\$6,900	\$10/\$30/\$50
VT5HMH127XLAE	HDHMO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000	0%	\$3,000	\$10/\$30/\$50

**Exhibit 2a -- Pricing Trend Assumptions -- 1Q Projection**

Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

Experience Period: May 1, 2023 - April 30, 2024  
Rating Period: January 1, 2025 - December 31, 2025

Months of Trend	2024	2025	2026	Total
	8	12	0	20

**Medical Trend Summary**

**2024 Annual Trend**

	% of Allowed Claims	Unit Cost	Utilization	Total
IP	14.2%	4.9%	0.5%	5.4%
OP	50.4%	5.4%	0.5%	6.0%
PHY	35.5%	1.7%	0.5%	2.2%
<b>Medical Total</b>		<b>4.0%</b>	<b>0.5%</b>	<b>4.5%</b>

**2025 Annual Trend**

	% of Allowed Claims	Unit Cost	Utilization	Total
IP	14.2%	6.6%	0.5%	7.1%
OP	50.8%	6.5%	0.5%	7.0%
PHY	34.9%	3.0%	0.5%	3.6%
<b>Medical Total</b>		<b>5.3%</b>	<b>0.5%</b>	<b>5.8%</b>

**2026 Annual Trend**

	% of Allowed Claims	Unit Cost	Utilization	Total
IP	14.4%	6.6%	0.5%	7.1%
OP	51.4%	6.5%	0.5%	7.0%
PHY	34.2%	3.0%	0.5%	3.6%
<b>Medical Total</b>		<b>5.3%</b>	<b>0.5%</b>	<b>5.8%</b>

**Leveraging Impact - Large Group Fee-For-Service Medical Claims**

	Allowed	Coinsurance	Copay	Deductible	Paid*
Experience Period:	\$678.44	\$4.78	\$8.08	\$97.22	\$568.36
20 Months of Trend:	1.090	1.090	1.008	1.031	1.101
Projection Period:	\$739.50	\$5.21	\$8.15	\$100.27	\$625.88
Allowed Trend (Annual)	5.3%				
Paid Trend (Annual)	6.0%				
<b>Leveraging (Annual)</b>	<b>0.6%</b>				

\*Ignores impact of removing high cost claims and replacing with pooling charge. Paid projection will not tie out to FFS claim projection on Tab 3a unless these adjustments are taken into account.

**Rx Trend Summary**

	2024 Trend		2025 Trend		2026 Trend		Annualized Trend	
	Unit Cost	Utilization	Unit Cost	Utilization	Unit Cost	Utilization	Unit Cost	Utilization
Generic	-7.6%	3.9%	1.3%	2.6%	4.3%	2.8%	-2.3%	3.1%
Brand	10.8%	-6.7%	4.5%	3.7%	3.8%	1.2%	7.0%	-0.6%
Specialty	-0.8%	9.8%	3.8%	7.1%	3.3%	7.5%	1.9%	8.2%

**Experience Period Percent | 2024/2023 Allowed T 2024 Percent of Rx Claims | 2025/2024 Allowed T 2025 Percent of Rx Claims | 2026/2025 Allowed Trend**

Generic	12.9%	-2.7%	12.1%	4.0%	11.5%	7.3%
Brand	22.3%	2.2%	21.9%	8.3%	21.6%	5.0%
Specialty	64.8%	5.8%	66.0%	11.3%	66.9%	11.1%
<b>Annualized Total Trend</b>	<b>100.0%</b>	<b>5.9%</b>	<b>100.0%</b>	<b>9.7%</b>	<b>100.0%</b>	<b>9.3%</b>
Allowed Trend (Annual)	8.2%					
Paid Trend (Annual)	9.0%					
<b>Leveraging (Annual)</b>	<b>0.8%</b>					

<b>Exhibit 2b -- Rx Trend Development - 1Q</b>
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MVP Health Care -- 2025 LG HMO Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

Experience Period: May 1, 2023 - April 30, 2024

Paid Through: April 2024

Member Months with Rx Benefit: 17,661

<u>Rx Claim Information</u>	<u>Generic</u>	<u>Brand</u>	<u>Specialty</u>	<u>Total</u>
	1	2	3	
Experience Period Scripts / 1000	14,570	631	279	15,480
Experience Period Allowed PMPM	\$18.83	\$32.45	\$94.51	\$145.79
Experience Period Deductible PMPM	\$2.46	\$3.33	\$1.64	\$7.43
Experience Period Copay PMPM	\$2.32	\$0.87	\$0.37	\$3.56
Experience Period Coinsurance PMPM	\$0.53	\$0.07	\$0.00	\$0.59
Experience Period Cost Sharing PMPM	\$5.30	\$4.26	\$2.02	\$11.58
Experience Period Paid PMPM	\$13.53	\$28.18	\$92.49	\$134.21
Experience Period Rx Rebates PMPM				-\$73.57
Annual Util Trend	1.031	0.994	1.082	1.031
Annual Unit Cost Trend	0.977	1.070	1.019	1.050
Annual Deductible Trend	1.019	1.019	1.019	1.019
Annual Paid Trend	0.995	1.071	1.103	1.086
Annual Paid Trend Net of Rebates				<b>1.090</b>
Months of Trend to Q1 2025	20	20	20	20
Projected Scripts / 1000 as of Q1 2025	15,333	624	318	16,275
Projected Allowed PMPM as of Q1 2025	\$19.05	\$35.93	\$111.26	\$166.24
Projected Deductible PMPM	\$2.67	\$3.40	\$1.93	\$8.00
Projected Copay PMPM	\$2.44	\$0.86	\$0.42	\$3.72
Projected Coinsurance PMPM	\$0.53	\$0.08	\$0.00	\$0.61
Projected Cost Sharing PMPM as of Q1 2025	\$5.64	\$4.33	\$2.36	\$12.33
Projected Paid PMPM as of Q1 2025	\$13.41	\$31.60	\$108.91	\$153.92
Projected Rx Rebates				-\$83.89
Total Claim Cost for Q1 2025				\$70.03

<b>Exhibit 3a -- Claim Projection &amp; Proposed Rate Change</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

<b>LG HMO Claim Projection and Proposed Rate Change</b>
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Experience Period: May 1, 2023 - April 30, 2024

Completed Through: June 2024

Experience Period Member Months	17,661
<b>FRDM Medical Claim Information</b>	
1) Total Experience Period Medical Claims	\$514.50
1a) Med Claims in Excess of \$250k over Experience Period	\$10.47
1b) Pooling Charge	1.030
2) IBNR Factor	1.105
3) Experience Period Incurred Medical Claims = [ 1) - 1a) ] * 1b) * 2)	\$573.63
<b>Rx, Capitation and Non-FRDM Claim Information</b>	
4) Experience Period Rx Claims	\$134.21
4a) Rx Claims in Excess of \$250k over Experience Period	\$2.47
4b) Pooling Charge	1.030
5) Experience Period Rx Rebates	-\$73.57
6) Experience Period Rx Claims (Net of Rebates) = [ 4) - 4a) ] * 4b) + 5)	\$62.15
7) Experience Period Claim Expense = 3) + 6)	\$635.78
<b>Proposed Rate Action for Q1 2025</b>	
8) Adjustment for COVID Vaccines	\$0.27
9) Adjustment for Hearing Aids as EHB	\$0.33
10) Adjustment for Abortions Covered in Full	\$0.03
11) Adjustment for Leap Year	-\$1.91
12) Adjustment for H.766	\$5.71
13) Impact of Membership Growth/Decline on Experience Pd Claims	1.009
14) Age/Gender Factor Normalization	0.937
15) Industry Factor Normalization	0.971
16) Annual Paid Medical Trend	1.060
17) Annual Paid Rx Trend Net of Rebates	1.090
18) Annual Paid Claim Trend	1.063
19) Months of Trend to Q1 2025	20
20) NY State HCRA Surcharge	0.15%
21) Capitations and Non-FFS Claim Expenses	\$17.68
22) Total Normalized Claim Cost for Q1 2025 = [ [ ( 7) * 13) * 14) * 15) ] + 8) + 9) + 10) + 11) + 12) ] * 18) ^ [ 19) / 12) * [ 1 + 20) ] ] + 21)	\$669.49
23) Total Normalized Claim Cost for Prior Year = 25) * 18) ^ [ 3 / 12) * 1.009	\$639.67
24) Credibility Weighted Total Claim Cost = 0.75 * 22) + 0.25 * 23)	\$662.04
25) Projected Net Revenue Collected at Q4 2024 Rate Level	\$624.41
26) Proposed Quarterly Rate Change = 24) / 25) - 1	<b>6.0%</b>

<b>Exhibit 3b -- Quarterly Changes</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - December 31, 2025

	2025 Q1 Projected Expense	2026/2025 Trend	Quarterly Trend	Q2	Q3	Q4
Med Claims	\$573.58	1.065	1.016	\$582.67	\$591.92	\$601.30
Rx Claims	\$65.17	1.102	1.025	\$66.77	\$68.40	\$70.08
Other Adjustments	\$4.84	1.069	1.017	\$4.92	\$5.00	\$5.09
Dollars Not Trended	\$18.45	N/A	N/A	\$18.45	\$18.45	\$18.45
<b>Total</b>	<b>\$662.04</b>			<b>\$672.81</b>	<b>\$683.77</b>	<b>\$694.92</b>
			Quarterly Change	1.60%	1.60%	1.60%

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**Exhibit 3c -- Revenue Neutrality of Proposed Rate Relativity Changes**


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**MVP Health Care -- 2025 LG HMO Rate Filing**  
**For Effective Dates Beginning Between January 1, 2025 - December 31, 2025**

Coplan	Rx Coplan	Prev Rx Coverage Rider	Member Months	Total Required Revenue	Total Required Revenue
				for 4Q23 before Resloping	for 4Q23 After Resloping
VT3HDH08AXLD	INTEGRATED	RXVT3HDH511LA-H	489	\$593.54	\$588.23
VT3HDH43EXLCE	INTEGRATED	RXVT3HDH511LA-AC	1219	\$595.17	\$594.70
VT3HDH43EXLCE	INTEGRATED	RXVT3HDH511LA-AC	16	\$608.86	\$607.73
VT3HDH43EXLDE	INTEGRATED	RXVT3HDH511LA-AC	975	\$595.17	\$594.70
VT3HDH46AXLD	INTEGRATED	RXVT3HDH511LA-AF	1271	\$624.45	\$623.82
VT3HDH52AXLD	INTEGRATED	RXVT3HDH511LA-AM	169	\$518.77	\$518.07
VT3HDH55AXLG	INTEGRATED	NO	366	\$470.61	\$477.23
VT3HDH55AXLG	INTEGRATED	RXVT3HDH511LA-AP	1211	\$485.42	\$492.21
VT4HDH60EXLAE	INTEGRATED	RXVT3HDH511LA-AU	1487	\$638.25	\$627.32
VT3HMO092ZLCE	RXVT3HMB500ZL	NO	3091	\$726.09	\$724.28
VT3HMO100ZLCE	RXVT3HMB500ZL	NO	28	\$659.33	\$660.58
VT3HMO103ZLCE	RXVT3HMB500ZL	NO	66	\$698.89	\$698.78
VT3HMO107ZLCE	RXVT3HMB500ZL	NO	980	\$630.58	\$632.35
VT3HMO116ZLCE	RXVT3HMB606ZL	NO	999	\$625.31	\$628.75
VT4HDH08AXLA	INTEGRATED	RXVT3HDH511LA-H	301	\$593.54	\$588.23
VT4HDH46AXLA	INTEGRATED	RXVT3HDH511LA-AF	669	\$624.45	\$623.82
VT4HDH50EXLAE	INTEGRATED	NO	93	\$479.56	\$485.58
VT4HDH55AXLA	INTEGRATED	RXVT3HDH511LA-AP	614	\$485.42	\$492.21
VT4HDH55AXLA	INTEGRATED	NO	709	\$470.61	\$477.23
VT4HMH126XLAE	INTEGRATED	NO	402	\$508.70	\$514.81
VT4HMO092ZLAE	RXVT3HMB500ZL	NO	1564	\$734.32	\$733.19
VT4HMO101ZLAE	RXVT3HMB500ZL	NO	420	\$645.35	\$647.99
VT4HMO103ZLAE	RXVT3HMB500ZL	NO	32	\$711.03	\$711.73
VT4HMO107ZLAE	RXVT3HMB500ZL	NO	490	\$641.64	\$644.42
<b>Total</b>			<b>17661</b>	<b>\$621.81</b>	<b>\$621.81</b>

<b>Exhibit 4a -- Medical Manual Rates (Q1 2025)</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

HMO Coplan	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change	Annual Revenue Change
VT5HMO087ZLAN	HMO	\$729.10	2.9%	7.6%	7.7%
VT5HMO091ZLAE	HyHMO	\$575.39	3.5%	8.2%	8.3%
VT5HMO092ZLAE	HyHMO	\$660.14	3.2%	7.9%	8.0%
VT5HMO095ZLAE	HyHMO	\$641.26	3.4%	8.1%	8.2%
VT5HMO100ZLAE	HyHMO	\$598.63	3.6%	8.4%	8.5%
VT5HMO101ZLAE	HyHMO	\$569.94	3.5%	8.2%	8.3%
VT5HMO103ZLAE	HyHMO	\$637.40	3.4%	8.2%	8.2%
VT5HMO107ZLAE	HyHMO	\$566.04	3.5%	8.2%	8.3%
VT5HMO110ZLAE	HyHMO	\$588.76	3.8%	8.5%	8.6%
VT5HMO116ZLAE	HyHMO	\$563.60	3.4%	8.2%	8.2%
VT5HMO118ZLAE	HyHMO	\$535.11	5.7%	10.5%	10.6%
VT5HDH01AXLA	HDHMOagg	\$703.83	2.7%	7.3%	7.4%
VT5HDH02AXLA	HDHMOagg	\$644.38	4.5%	9.3%	9.3%
VT5HDH08AXLA	HDHMOagg	\$622.66	5.0%	9.8%	9.9%
VT5HDH09AXLA	HDHMOagg	\$587.10	5.2%	10.0%	10.1%
VT5HDH15AXLA	HDHMOagg	\$585.64	4.3%	9.1%	9.1%
VT5HDH19EXLAE	HDHMO	\$578.74	6.3%	11.2%	11.3%
VT5HDH43EXLAE	HDHMO	\$618.23	5.9%	10.7%	10.8%
VT5HDH46AXLA	HDHMOagg	\$652.67	5.8%	10.6%	10.7%
VT5HDH50EXLAE	HDHMO	\$514.71	7.3%	12.2%	12.3%
VT5HDH51EXLAE	HDHMO	\$529.29	7.2%	12.1%	12.2%
VT5HDH52AXLA	HDHMOagg	\$534.93	5.7%	10.5%	10.6%
VT5HDH55AXLA	HDHMOagg	\$505.86	7.5%	12.4%	12.5%
VT5HDH56AXLA	HDHMOagg	\$581.26	4.8%	9.5%	9.6%
VT5HDH58AXLA	HDHMOagg	\$597.85	6.0%	10.9%	10.9%
VT5HDH59AXLA	HDHMOagg	\$507.68	5.6%	10.5%	10.5%
VT5HDH60EXLAE	HDHMO	\$650.96	3.1%	7.8%	7.9%
VT5HMO119ZLAE	HyHMO	\$693.33	3.1%	7.8%	7.9%
VT5HMO120ZLAE	HyHMO	\$652.42	3.2%	7.9%	8.0%
VT5HMH122XLA	HDHMOagg	\$480.49	12.2%	17.3%	17.4%
VT5HMH123XLA	HDHMOagg	\$512.02	8.1%	13.1%	13.1%
VT5HMH124XLAE	HDHMO	\$635.24	8.5%	13.4%	13.5%
VT5HMH125XLA	HDHMOagg	\$534.67	8.5%	13.5%	13.6%
VT5HMH126XLAE	HDHMO	\$556.71	9.4%	14.4%	14.5%
VT5HMH127XLAE	HDHMO	\$676.25	7.7%	12.6%	12.7%
VT5HMP128XLAN	HMO	\$740.84	5.2%	10.0%	10.1%
VT5HMP129XLAN	HMO	\$707.83	7.6%	12.5%	12.6%
VT5HMP130XLAN	HMO	\$712.41	7.4%	12.3%	12.4%
VT5HMP131XLAN	HyHMO	\$728.70	6.0%	10.8%	10.9%
VT5HMP132XLAN	HyHMO	\$700.97	7.6%	12.5%	12.6%

<b>Exhibit 4a -- Medical Manual Rates (Q2 2025)</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between April 1, 2025 - June 30, 2025

HMO Coplan	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change	Annual Revenue Change
VT5HMO087ZLAN	HMO	\$740.77	1.6%	7.7%	7.8%
VT5HMO091ZLAE	HyHMO	\$584.60	1.6%	8.3%	8.4%
VT5HMO092ZLAE	HyHMO	\$670.70	1.6%	8.0%	8.1%
VT5HMO095ZLAE	HyHMO	\$651.52	1.6%	8.3%	8.3%
VT5HMO100ZLAE	HyHMO	\$608.21	1.6%	8.5%	8.6%
VT5HMO101ZLAE	HyHMO	\$579.06	1.6%	8.4%	8.4%
VT5HMO103ZLAE	HyHMO	\$647.60	1.6%	8.3%	8.3%
VT5HMO107ZLAE	HyHMO	\$575.10	1.6%	8.3%	8.4%
VT5HMO110ZLAE	HyHMO	\$598.18	1.6%	8.6%	8.7%
VT5HMO116ZLAE	HyHMO	\$572.62	1.6%	8.3%	8.3%
VT5HMO118ZLAE	HyHMO	\$543.67	1.6%	10.7%	10.7%
VT5HDH01AXLA	HDHMOagg	\$715.09	1.6%	7.4%	7.5%
VT5HDH02AXLA	HDHMOagg	\$654.69	1.6%	9.4%	9.4%
VT5HDH08AXLA	HDHMOagg	\$632.62	1.6%	9.9%	10.0%
VT5HDH09AXLA	HDHMOagg	\$596.49	1.6%	10.1%	10.2%
VT5HDH15AXLA	HDHMOagg	\$595.01	1.6%	9.2%	9.2%
VT5HDH19EXLAE	HDHMO	\$588.00	1.6%	11.3%	11.4%
VT5HDH43EXLAE	HDHMO	\$628.12	1.6%	10.8%	10.9%
VT5HDH46AXLA	HDHMOagg	\$663.11	1.6%	10.7%	10.8%
VT5HDH50EXLAE	HDHMO	\$522.95	1.6%	12.3%	12.4%
VT5HDH51EXLAE	HDHMO	\$537.76	1.6%	12.2%	12.3%
VT5HDH52AXLA	HDHMOagg	\$543.49	1.6%	10.6%	10.7%
VT5HDH55AXLA	HDHMOagg	\$513.95	1.6%	12.5%	12.6%
VT5HDH56AXLA	HDHMOagg	\$590.56	1.6%	9.7%	9.7%
VT5HDH58AXLA	HDHMOagg	\$607.42	1.6%	11.0%	11.1%
VT5HDH59AXLA	HDHMOagg	\$515.80	1.6%	10.6%	10.7%
VT5HDH60EXLAE	HDHMO	\$661.38	1.6%	7.9%	8.0%
VT5HMO119ZLAE	HyHMO	\$704.42	1.6%	7.9%	8.0%
VT5HMO120ZLAE	HyHMO	\$662.86	1.6%	8.0%	8.1%
VT5HMH122XLA	HDHMOagg	\$488.18	1.6%	17.4%	17.5%
VT5HMH123XLA	HDHMOagg	\$520.21	1.6%	13.2%	13.3%
VT5HMH124XLAE	HDHMO	\$645.40	1.6%	13.5%	13.6%
VT5HMH125XLA	HDHMOagg	\$543.22	1.6%	13.6%	13.7%
VT5HMH126XLAE	HDHMO	\$565.62	1.6%	14.6%	14.6%
VT5HMH127XLAE	HDHMO	\$687.07	1.6%	12.7%	12.8%
VT5HMP128XLAN	HMO	\$752.69	1.6%	10.1%	10.2%
VT5HMP129XLAN	HMO	\$719.16	1.6%	12.6%	12.7%
VT5HMP130XLAN	HMO	\$723.81	1.6%	12.4%	12.5%
VT5HMP131XLAN	HyHMO	\$740.36	1.6%	10.9%	11.0%
VT5HMP132XLAN	HyHMO	\$712.19	1.6%	12.6%	12.7%



<b>Exhibit 4a -- Medical Manual Rates (Q3 2025)</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between July 1, 2025 - September 30, 2025

HMO Coplan	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change	Annual Revenue Change
VT5HMO087ZLAN	HMO	\$752.62	1.6%	7.8%	7.9%
VT5HMO091ZLAE	HyHMO	\$593.95	1.6%	8.4%	8.5%
VT5HMO092ZLAE	HyHMO	\$681.43	1.6%	8.1%	8.2%
VT5HMO095ZLAE	HyHMO	\$661.94	1.6%	8.4%	8.4%
VT5HMO100ZLAE	HyHMO	\$617.94	1.6%	8.6%	8.7%
VT5HMO101ZLAE	HyHMO	\$588.32	1.6%	8.5%	8.5%
VT5HMO103ZLAE	HyHMO	\$657.96	1.6%	8.4%	8.5%
VT5HMO107ZLAE	HyHMO	\$584.30	1.6%	8.4%	8.5%
VT5HMO110ZLAE	HyHMO	\$607.75	1.6%	8.7%	8.8%
VT5HMO116ZLAE	HyHMO	\$581.78	1.6%	8.4%	8.4%
VT5HMO118ZLAE	HyHMO	\$552.37	1.6%	10.8%	10.8%
VT5HDH01AXLA	HDHMOagg	\$726.53	1.6%	7.5%	7.6%
VT5HDH02AXLA	HDHMOagg	\$665.17	1.6%	9.5%	9.6%
VT5HDH08AXLA	HDHMOagg	\$642.74	1.6%	10.0%	10.1%
VT5HDH09AXLA	HDHMOagg	\$606.03	1.6%	10.2%	10.3%
VT5HDH15AXLA	HDHMOagg	\$604.53	1.6%	9.3%	9.4%
VT5HDH19EXLAE	HDHMO	\$597.41	1.6%	11.4%	11.5%
VT5HDH43EXLAE	HDHMO	\$638.17	1.6%	10.9%	11.0%
VT5HDH46AXLA	HDHMOagg	\$673.72	1.6%	10.9%	10.9%
VT5HDH50EXLAE	HDHMO	\$531.32	1.6%	12.5%	12.5%
VT5HDH51EXLAE	HDHMO	\$546.36	1.6%	12.3%	12.4%
VT5HDH52AXLA	HDHMOagg	\$552.19	1.6%	10.7%	10.8%
VT5HDH55AXLA	HDHMOagg	\$522.17	1.6%	12.6%	12.7%
VT5HDH56AXLA	HDHMOagg	\$600.01	1.6%	9.8%	9.8%
VT5HDH58AXLA	HDHMOagg	\$617.14	1.6%	11.1%	11.2%
VT5HDH59AXLA	HDHMOagg	\$524.05	1.6%	10.7%	10.8%
VT5HDH60EXLAE	HDHMO	\$671.96	1.6%	8.0%	8.1%
VT5HMO119ZLAE	HyHMO	\$715.69	1.6%	8.0%	8.1%
VT5HMO120ZLAE	HyHMO	\$673.47	1.6%	8.2%	8.2%
VT5HMH122XLA	HDHMOagg	\$495.99	1.6%	17.6%	17.6%
VT5HMH123XLA	HDHMOagg	\$528.53	1.6%	13.3%	13.4%
VT5HMH124XLAE	HDHMO	\$655.73	1.6%	13.7%	13.7%
VT5HMH125XLA	HDHMOagg	\$551.91	1.6%	13.7%	13.8%
VT5HMH126XLAE	HDHMO	\$574.67	1.6%	14.7%	14.8%
VT5HMH127XLAE	HDHMO	\$698.06	1.6%	12.8%	12.9%
VT5HMP128XLAN	HMO	\$764.73	1.6%	10.2%	10.3%
VT5HMP129XLAN	HMO	\$730.67	1.6%	12.7%	12.8%
VT5HMP130XLAN	HMO	\$735.39	1.6%	12.5%	12.6%
VT5HMP131XLAN	HyHMO	\$752.21	1.6%	11.0%	11.1%
VT5HMP132XLAN	HyHMO	\$723.59	1.6%	12.7%	12.8%

<b>Exhibit 4a -- Medical Manual Rates (Q4 2025)</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between October 1, 2025 - December 31, 2025

HMO Coplan	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change	Annual Revenue Change
VT5HMO087ZLAN	HMO	\$764.66	1.6%	7.9%	8.0%
VT5HMO091ZLAE	HyHMO	\$603.45	1.6%	8.5%	8.6%
VT5HMO092ZLAE	HyHMO	\$692.33	1.6%	8.3%	8.3%
VT5HMO095ZLAE	HyHMO	\$672.53	1.6%	8.5%	8.6%
VT5HMO100ZLAE	HyHMO	\$627.83	1.6%	8.7%	8.8%
VT5HMO101ZLAE	HyHMO	\$597.73	1.6%	8.6%	8.6%
VT5HMO103ZLAE	HyHMO	\$668.49	1.6%	8.5%	8.6%
VT5HMO107ZLAE	HyHMO	\$593.65	1.6%	8.6%	8.6%
VT5HMO110ZLAE	HyHMO	\$617.47	1.6%	8.8%	8.9%
VT5HMO116ZLAE	HyHMO	\$591.09	1.6%	8.5%	8.6%
VT5HMO118ZLAE	HyHMO	\$561.21	1.6%	10.9%	11.0%
VT5HDH01AXLA	HDHMOagg	\$738.15	1.6%	7.7%	7.7%
VT5HDH02AXLA	HDHMOagg	\$675.81	1.6%	9.6%	9.7%
VT5HDH08AXLA	HDHMOagg	\$653.02	1.6%	10.1%	10.2%
VT5HDH09AXLA	HDHMOagg	\$615.73	1.6%	10.3%	10.4%
VT5HDH15AXLA	HDHMOagg	\$614.20	1.6%	9.4%	9.5%
VT5HDH19EXLAE	HDHMO	\$606.97	1.6%	11.5%	11.6%
VT5HDH43EXLAE	HDHMO	\$648.38	1.6%	11.0%	11.1%
VT5HDH46AXLA	HDHMOagg	\$684.50	1.6%	11.0%	11.1%
VT5HDH50EXLAE	HDHMO	\$539.82	1.6%	12.6%	12.7%
VT5HDH51EXLAE	HDHMO	\$555.10	1.6%	12.4%	12.5%
VT5HDH52AXLA	HDHMOagg	\$561.03	1.6%	10.9%	10.9%
VT5HDH55AXLA	HDHMOagg	\$530.52	1.6%	12.7%	12.8%
VT5HDH56AXLA	HDHMOagg	\$609.61	1.6%	9.9%	10.0%
VT5HDH58AXLA	HDHMOagg	\$627.01	1.6%	11.2%	11.3%
VT5HDH59AXLA	HDHMOagg	\$532.43	1.6%	10.8%	10.9%
VT5HDH60EXLAE	HDHMO	\$682.71	1.6%	8.1%	8.2%
VT5HMO119ZLAE	HyHMO	\$727.14	1.6%	8.2%	8.2%
VT5HMO120ZLAE	HyHMO	\$684.25	1.6%	8.3%	8.3%
VT5HMH122XLA	HDHMOagg	\$503.93	1.6%	17.7%	17.8%
VT5HMH123XLA	HDHMOagg	\$536.99	1.6%	13.4%	13.5%
VT5HMH124XLAE	HDHMO	\$666.22	1.6%	13.8%	13.9%
VT5HMH125XLA	HDHMOagg	\$560.74	1.6%	13.8%	13.9%
VT5HMH126XLAE	HDHMO	\$583.86	1.6%	14.8%	14.9%
VT5HMH127XLAE	HDHMO	\$709.23	1.6%	12.9%	13.0%
VT5HMP128XLAN	HMO	\$776.97	1.6%	10.3%	10.4%
VT5HMP129XLAN	HMO	\$742.36	1.6%	12.8%	12.9%
VT5HMP130XLAN	HMO	\$747.16	1.6%	12.7%	12.7%
VT5HMP131XLAN	HyHMO	\$764.25	1.6%	11.1%	11.2%
VT5HMP132XLAN	HyHMO	\$735.17	1.6%	12.8%	12.9%

Exhibit 4b -- Medical Riders (Q1 2025)

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
MV3H[MB/DH]305L	MV3HMB305L	Advanced Infertility Services - (Large Only)	HMO	\$8.73	5.9%	10.8%
MV3H[MB/DH]306L	MV3HMB306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HMO	\$8.23	6.1%	10.8%
MV3H[MB/DH]307L	MV3HMB307L	Exclusion For Elective Abortions	HMO	-\$0.24	4.3%	4.3%
MV5H[MB/MH/DH]373L	MV5HMB373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
MV3HMB309L	MV3HMB309L-C	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans	HMO	\$7.04	6.0%	11.0%
MV3HMB309L	MV3HMB309L-D	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans	HMO	\$8.14	6.0%	10.7%
MV3HMB309L	MV3HMB309L-E	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans	HMO	\$16.37	6.0%	10.8%
MV3HMB309L	MV3HMB309L-F	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans	HMO	\$17.30	6.0%	10.8%
MV3HMB309L	MV3HMB309L-G	Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans	HMO	\$23.40	6.0%	10.8%
DV3H[MB/DH]312L	DV3HMB312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HMO	\$1.57	6.1%	10.6%
MV3H[MB/DH]316L	MV3HMB316L	Disposable Medical Supplies	HMO	\$1.77	6.0%	9.9%
MV3H[MB/DH]317L	MV3HMB317L	Changes Contract Yr To Calendar Year	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HMB335L	Member Discount Program	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HMB356L	Deductible Carryover Rider	HMO	\$7.65	6.0%	10.9%
MV5H[MB/MH/DH]373L	MV5HMB373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HMB700L	Domestic Partners (Same And Opp Sex)	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]305L	MV3HDH305L	Advanced Infertility Services - (Large Only)	HDHMO	\$8.68	6.0%	10.9%
MV3H[MB/DH]306L	MV3HDH306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HDHMO	\$8.79	6.0%	10.8%
MV3H[MB/DH]307L	MV3HDH307L	Exclusion For Elective Abortions	HDHMO	-\$0.22	4.8%	4.8%
DV3H[MB/DH]312L	DV3HDH312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HDHMO	\$1.57	6.1%	10.6%
MV3H[MB/DH]316L	MV3HDH316L	Disposable Medical Supplies	HDHMO	\$1.19	6.2%	12.3%
MV3H[MB/DH]317L	MV3HDH317L	Changes Contract Yr To Calendar Year	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HDH335L	Member Discount Program	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HDH356L	Deductible Carryover Rider	HDHMO	\$15.33	6.0%	10.8%
MV5H[MB/MH/DH]373L	MV5HDH373L	WellBeing Rewards	HDHMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HDH700L	Domestic Partners (Same And Opp Sex)	HDHMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMB375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMB375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HDH375	Travel and Lodging Expenses	HDHMO	\$0.00	n/a	n/a
RXVT5HDH511L	RXVT5HDH511L-A	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH01AXLA)	HDHMO	\$1.14	107.3%	119.2%
RXVT5HDH511L	RXVT5HDH511L-B	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH02AXLA)	HDHMO	\$4.14	5.1%	10.1%
RXVT5HDH511L	RXVT5HDH511L-H	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH08AXLA)	HDHMO	\$0.86	56.4%	65.4%
RXVT5HDH511L	RXVT5HDH511L-I	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH09AXLA)	HDHMO	\$2.12	30.9%	35.9%
RXVT5HDH511L	RXVT5HDH511L-O	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH15AXLA)	HDHMO	\$0.93	47.6%	55.0%
RXVT5HDH511L	RXVT5HDH511L-S	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH19EXLAE)	HDHMO	\$15.39	8.2%	13.2%
RXVT5HDH511L	RXVT5HDH511L-AC	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH43EXLAE)	HDHMO	\$12.15	9.4%	14.3%
RXVT5HDH511L	RXVT5HDH511L-AF	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH46AXLA)	HDHMO	\$8.58	13.0%	18.2%
RXVT5HDH511L	RXVT5HDH511L-AK	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH50EXLAE)	HDHMO	\$16.75	7.2%	12.0%
RXVT5HDH511L	RXVT5HDH511L-AL	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH51EXLAE)	HDHMO	\$18.67	38.3%	44.6%
RXVT5HDH511L	RXVT5HDH511L-AM	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH52AXLA)	HDHMO	\$2.81	41.9%	48.7%
RXVT5HDH511L	RXVT5HDH511L-AP	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH55AXLA)	HDHMO	\$15.88	7.2%	12.1%
RXVT5HDH511L	RXVT5HDH511L-AQ	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH56AXLA)	HDHMO	\$5.17	14.1%	19.4%
RXVT5HDH511L	RXVT5HDH511L-AS	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH58AXLA)	HDHMO	\$12.95	13.1%	18.3%
RXVT5HDH511L	RXVT5HDH511L-AT	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH59AXLA)	HDHMO	\$7.90	6.6%	11.6%
RXVT5HDH511L	RXVT5HDH511L-AU	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH60EXLAE)	HDHMO	\$9.00	32.7%	38.9%
RXVT5HDH511L	RXVT5HDH511L-AV	Safe Harbor preventative Rx list for qualified HDHP's (VT5HMH122XLA)	HDHMO	\$5.44	-70.3%	-69.0%

Exhibit 4b -- Medical Riders (Q2 2025)

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between April 1, 2025 - June 30, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
MV3H[MB/DH]305L	MV3HMB305L	Advanced Infertility Services - (Large Only)	HMO	\$8.87	1.6%	10.9%
MV3H[MB/DH]306L	MV3HMB306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HMO	\$8.36	1.6%	10.9%
MV3H[MB/DH]307L	MV3HMB307L	Exclusion For Elective Abortions	HMO	-\$0.24	0.0%	4.3%
MV5H[MB/MH/DH]373L	MV5HMB373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
MV3HMB309L	MV3HMB309L-C	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans	HMO	\$7.15	1.6%	11.0%
MV3HMB309L	MV3HMB309L-D	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans	HMO	\$8.27	1.6%	10.9%
MV3HMB309L	MV3HMB309L-E	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans	HMO	\$16.63	1.6%	10.9%
MV3HMB309L	MV3HMB309L-F	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans	HMO	\$17.58	1.6%	11.0%
MV3HMB309L	MV3HMB309L-G	Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans	HMO	\$23.77	1.6%	10.9%
DV3H[MB/DH]312L	DV3HMB312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HMO	\$1.60	1.9%	11.1%
MV3H[MB/DH]316L	MV3HMB316L	Disposable Medical Supplies	HMO	\$1.80	1.7%	10.4%
MV3H[MB/DH]317L	MV3HMB317L	Changes Contract Yr To Calendar Year	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HMB335L	Member Discount Program	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HMB356L	Deductible Carryover Rider	HMO	\$7.77	1.6%	11.0%
MV5H[MB/MH/DH]373L	MV5HMH373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HMB700L	Domestic Partners (Same And Opp Sex)	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]305L	MV3HHD305L	Advanced Infertility Services - (Large Only)	HDHMO	\$8.82	1.6%	10.9%
MV3H[MB/DH]306L	MV3HHD306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HDHMO	\$8.93	1.6%	10.9%
MV3H[MB/DH]307L	MV3HHD307L	Exclusion For Elective Abortions	HDHMO	-\$0.22	0.0%	4.8%
DV3H[MB/DH]312L	DV3HHD312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HDHMO	\$1.60	1.9%	11.1%
MV3H[MB/DH]316L	MV3HHD316L	Disposable Medical Supplies	HDHMO	\$1.21	1.7%	12.0%
MV3H[MB/DH]317L	MV3HHD317L	Changes Contract Yr To Calendar Year	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HHD335L	Member Discount Program	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HHD356L	Deductible Carryover Rider	HDHMO	\$15.58	1.6%	11.0%
MV5H[MB/MH/DH]373L	MV5HHD373L	WellBeing Rewards	HDHMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HHD700L	Domestic Partners (Same And Opp Sex)	HDHMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMB375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMH375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HHD375	Travel and Lodging Expenses	HDHMO	\$0.00	n/a	n/a
RXVTSHDH511L	RXVTSHDH511L-A	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH01AXLA)	HDHMO	\$1.16	1.8%	118.9%
RXVTSHDH511L	RXVTSHDH511L-B	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH02AXLA)	HDHMO	\$4.21	1.7%	10.2%
RXVTSHDH511L	RXVTSHDH511L-H	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH08AXLA)	HDHMO	\$0.87	1.2%	64.2%
RXVTSHDH511L	RXVTSHDH511L-I	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH09AXLA)	HDHMO	\$2.15	1.4%	36.1%
RXVTSHDH511L	RXVTSHDH511L-O	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH15AXLA)	HDHMO	\$0.94	1.1%	54.1%
RXVTSHDH511L	RXVTSHDH511L-S	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH19EXLAE)	HDHMO	\$15.64	1.6%	13.3%
RXVTSHDH511L	RXVTSHDH511L-AC	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH43EXLAE)	HDHMO	\$12.34	1.6%	14.4%
RXVTSHDH511L	RXVTSHDH511L-AF	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH46AXLA)	HDHMO	\$8.72	1.6%	18.3%
RXVTSHDH511L	RXVTSHDH511L-AK	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH50EXLAE)	HDHMO	\$17.02	1.6%	12.2%
RXVTSHDH511L	RXVTSHDH511L-AL	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH51EXLAE)	HDHMO	\$18.97	1.6%	44.8%
RXVTSHDH511L	RXVTSHDH511L-AM	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH52AXLA)	HDHMO	\$2.85	1.4%	48.4%
RXVTSHDH511L	RXVTSHDH511L-AP	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH55AXLA)	HDHMO	\$16.13	1.6%	12.2%
RXVTSHDH511L	RXVTSHDH511L-AQ	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH56AXLA)	HDHMO	\$5.25	1.5%	19.6%
RXVTSHDH511L	RXVTSHDH511L-AS	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH58AXLA)	HDHMO	\$13.16	1.6%	18.5%
RXVTSHDH511L	RXVTSHDH511L-AT	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH59AXLA)	HDHMO	\$8.03	1.6%	11.7%
RXVTSHDH511L	RXVTSHDH511L-AU	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH60EXLAE)	HDHMO	\$9.14	1.6%	38.9%
RXVTSHDH511L	RXVTSHDH511L-AV	Safe Harbor preventative Rx list for qualified HDHP's (VT5HMH122XLA)	HDHMO	\$5.53	1.7%	-68.9%

Exhibit 4b -- Medical Riders (Q3 2025)

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between July 1, 2025 - September 30, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
MV3H[MB/DH]305L	MV3HMB305L	Advanced Infertility Services - (Large Only)	HMO	\$9.01	1.6%	11.0%
MV3H[MB/DH]306L	MV3HMB306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HMO	\$8.49	1.6%	11.0%
MV3H[MB/DH]307L	MV3HMB307L	Exclusion For Elective Abortions	HMO	-\$0.24	0.0%	4.3%
MV5H[MB/MH/DH]373L	MV5HMB373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
MV3HMB309L	MV3HMB309L-C	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans	HMO	\$7.26	1.5%	11.0%
MV3HMB309L	MV3HMB309L-D	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans	HMO	\$8.40	1.6%	11.0%
MV3HMB309L	MV3HMB309L-E	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans	HMO	\$16.90	1.6%	11.1%
MV3HMB309L	MV3HMB309L-F	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans	HMO	\$17.86	1.6%	11.1%
MV3HMB309L	MV3HMB309L-G	Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans	HMO	\$24.15	1.6%	11.0%
DV3H[MB/DH]312L	DV3HMB312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HMO	\$1.63	1.9%	11.6%
MV3H[MB/DH]316L	MV3HMB316L	Disposable Medical Supplies	HMO	\$1.83	1.7%	10.9%
MV3H[MB/DH]317L	MV3HMB317L	Changes Contract Yr To Calendar Year	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HMB335L	Member Discount Program	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HMB356L	Deductible Carryover Rider	HMO	\$7.89	1.5%	11.0%
MV5H[MB/MH/DH]373L	MV5HMH373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HMB700L	Domestic Partners (Same And Opp Sex)	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]305L	MV3HMH305L	Advanced Infertility Services - (Large Only)	HDHMO	\$8.96	1.6%	11.0%
MV3H[MB/DH]306L	MV3HMH306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HDHMO	\$9.07	1.6%	11.0%
MV3H[MB/DH]307L	MV3HMH307L	Exclusion For Elective Abortions	HDHMO	-\$0.22	0.0%	4.8%
DV3H[MB/DH]312L	DV3HMH312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HDHMO	\$1.63	1.9%	11.6%
MV3H[MB/DH]316L	MV3HMH316L	Disposable Medical Supplies	HDHMO	\$1.23	1.7%	11.8%
MV3H[MB/DH]317L	MV3HMH317L	Changes Contract Yr To Calendar Year	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HMH335L	Member Discount Program	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HMH356L	Deductible Carryover Rider	HDHMO	\$15.83	1.6%	11.1%
MV5H[MB/MH/DH]373L	MV5HMH373L	WellBeing Rewards	HDHMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HMH700L	Domestic Partners (Same And Opp Sex)	HDHMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMH375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMH375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMH375	Travel and Lodging Expenses	HDHMO	\$0.00	n/a	n/a
RXVT5HDH511L	RXVT5HDH511L-A	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH01AXLA)	HDHMO	\$1.18	1.7%	118.5%
RXVT5HDH511L	RXVT5HDH511L-B	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH02AXLA)	HDHMO	\$4.28	1.7%	10.3%
RXVT5HDH511L	RXVT5HDH511L-H	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH08AXLA)	HDHMO	\$0.88	1.1%	63.0%
RXVT5HDH511L	RXVT5HDH511L-I	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH09AXLA)	HDHMO	\$2.18	1.4%	36.3%
RXVT5HDH511L	RXVT5HDH511L-O	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH15AXLA)	HDHMO	\$0.96	2.1%	54.8%
RXVT5HDH511L	RXVT5HDH511L-S	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH19EXLAE)	HDHMO	\$15.89	1.6%	13.4%
RXVT5HDH511L	RXVT5HDH511L-AC	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH43EXLAE)	HDHMO	\$12.54	1.6%	14.5%
RXVT5HDH511L	RXVT5HDH511L-AF	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH46AXLA)	HDHMO	\$8.86	1.6%	18.4%
RXVT5HDH511L	RXVT5HDH511L-AK	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH50EXLAE)	HDHMO	\$17.29	1.6%	12.3%
RXVT5HDH511L	RXVT5HDH511L-AL	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH51EXLAE)	HDHMO	\$19.27	1.6%	44.9%
RXVT5HDH511L	RXVT5HDH511L-AM	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH52AXLA)	HDHMO	\$2.90	1.8%	48.7%
RXVT5HDH511L	RXVT5HDH511L-AP	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH55AXLA)	HDHMO	\$16.39	1.6%	12.3%
RXVT5HDH511L	RXVT5HDH511L-AQ	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH56AXLA)	HDHMO	\$5.33	1.5%	19.5%
RXVT5HDH511L	RXVT5HDH511L-AS	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH58AXLA)	HDHMO	\$13.37	1.6%	18.5%
RXVT5HDH511L	RXVT5HDH511L-AT	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH59AXLA)	HDHMO	\$8.16	1.6%	11.8%
RXVT5HDH511L	RXVT5HDH511L-AU	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH60EXLAE)	HDHMO	\$9.29	1.6%	39.1%
RXVT5HDH511L	RXVT5HDH511L-AV	Safe Harbor preventative Rx list for qualified HDHP's (VT5HMH122XLA)	HDHMO	\$5.62	1.6%	-68.9%

Exhibit 4b -- Medical Riders (Q4 2025)

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between October 1, 2025 - December 31, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
MV3H[MB/DH]305L	MV3HMB305L	Advanced Infertility Services - (Large Only)	HMO	\$9.15	1.6%	11.0%
MV3H[MB/DH]306L	MV3HMB306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HMO	\$8.63	1.6%	11.2%
MV3H[MB/DH]307L	MV3HMB307L	Exclusion For Elective Abortions	HMO	-\$0.24	0.0%	4.3%
MV5H[MB/MH/DH]373L	MV5HMB373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
MV3HMB309L	MV3HMB309L-C	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans	HMO	\$7.38	1.7%	11.1%
MV3HMB309L	MV3HMB309L-D	Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans	HMO	\$8.53	1.5%	11.1%
MV3HMB309L	MV3HMB309L-E	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans	HMO	\$17.17	1.6%	11.2%
MV3HMB309L	MV3HMB309L-F	Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans	HMO	\$18.15	1.6%	11.2%
MV3HMB309L	MV3HMB309L-G	Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans	HMO	\$24.54	1.6%	11.1%
DV3H[MB/DH]312L	DV3HMB312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HMO	\$1.66	1.8%	12.2%
MV3H[MB/DH]316L	MV3HMB316L	Disposable Medical Supplies	HMO	\$1.86	1.6%	11.4%
MV3H[MB/DH]317L	MV3HMB317L	Changes Contract Yr To Calendar Year	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HMB335L	Member Discount Program	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HMB356L	Deductible Carryover Rider	HMO	\$8.02	1.6%	11.1%
MV5H[MB/MH/DH]373L	MV5HMH373L	WellBeing Rewards	HMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HMB700L	Domestic Partners (Same And Opp Sex)	HMO	\$0.00	n/a	n/a
MV3H[MB/DH]305L	MV3HHD305L	Advanced Infertility Services - (Large Only)	HDHMO	\$9.10	1.6%	11.1%
MV3H[MB/DH]306L	MV3HHD306L	60 Visits Outpatient Physical/Speech/Occupational Therapy	HDHMO	\$9.22	1.7%	11.2%
MV3H[MB/DH]307L	MV3HHD307L	Exclusion For Elective Abortions	HDHMO	-\$0.22	0.0%	4.8%
DV3H[MB/DH]312L	DV3HHD312L	Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only	HDHMO	\$1.66	1.8%	12.2%
MV3H[MB/DH]316L	MV3HHD316L	Disposable Medical Supplies	HDHMO	\$1.25	1.6%	11.6%
MV3H[MB/DH]317L	MV3HHD317L	Changes Contract Yr To Calendar Year	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]335L	MV3HHD335L	Member Discount Program	HDHMO	\$0.00	n/a	n/a
MV3H[MB/DH]356L	MV3HHD356L	Deductible Carryover Rider	HDHMO	\$16.08	1.6%	11.2%
MV5H[MB/MH/DH]373L	MV5HHD373L	WellBeing Rewards	HDHMO	\$0.00	n/a	n/a
GV3H[MB/DH]700	GV3HHD700L	Domestic Partners (Same And Opp Sex)	HDHMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMB375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HMH375	Travel and Lodging Expenses	HMO	\$0.00	n/a	n/a
MV3H[MB/MH/DH]375	MV3HHD375	Travel and Lodging Expenses	HDHMO	\$0.00	n/a	n/a
RXVTSHDH511L	RXVTSHDH511L-A	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH01AXLA)	HDHMO	\$1.20	1.7%	118.2%
RXVTSHDH511L	RXVTSHDH511L-B	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH02AXLA)	HDHMO	\$4.35	1.6%	10.4%
RXVTSHDH511L	RXVTSHDH511L-H	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH08AXLA)	HDHMO	\$0.89	1.1%	61.8%
RXVTSHDH511L	RXVTSHDH511L-I	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH09AXLA)	HDHMO	\$2.21	1.4%	36.4%
RXVTSHDH511L	RXVTSHDH511L-O	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH15AXLA)	HDHMO	\$0.98	2.1%	55.6%
RXVTSHDH511L	RXVTSHDH511L-S	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH19EXLAE)	HDHMO	\$16.14	1.6%	13.5%
RXVTSHDH511L	RXVTSHDH511L-AC	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH43EXLAE)	HDHMO	\$12.74	1.6%	14.7%
RXVTSHDH511L	RXVTSHDH511L-AF	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH46AXLA)	HDHMO	\$9.00	1.6%	18.6%
RXVTSHDH511L	RXVTSHDH511L-AK	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH50EXLAE)	HDHMO	\$17.57	1.6%	12.4%
RXVTSHDH511L	RXVTSHDH511L-AL	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH51EXLAE)	HDHMO	\$19.58	1.6%	45.0%
RXVTSHDH511L	RXVTSHDH511L-AM	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH52AXLA)	HDHMO	\$2.95	1.7%	49.0%
RXVTSHDH511L	RXVTSHDH511L-AP	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH55AXLA)	HDHMO	\$16.65	1.6%	12.4%
RXVTSHDH511L	RXVTSHDH511L-AQ	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH56AXLA)	HDHMO	\$5.42	1.7%	19.6%
RXVTSHDH511L	RXVTSHDH511L-AS	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH58AXLA)	HDHMO	\$13.58	1.6%	18.6%
RXVTSHDH511L	RXVTSHDH511L-AT	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH59AXLA)	HDHMO	\$8.29	1.6%	11.9%
RXVTSHDH511L	RXVTSHDH511L-AU	Safe Harbor preventative Rx list for qualified HDHP's (VT5HDH60EXLAE)	HDHMO	\$9.44	1.6%	39.2%
RXVTSHDH511L	RXVTSHDH511L-AV	Safe Harbor preventative Rx list for qualified HDHP's (VT5HMH122XLA)	HDHMO	\$5.71	1.6%	-68.9%

<b>Exhibit 4c -- Rx Riders (Q1 2025)</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - March 31, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
RXVT3HMB500ZL	RXVT3HMB500ZL	\$10/\$30/\$50	HMO	\$117.04	23.5%	29.1%
RXVT3HMB501ZL	RXVT3HMB501ZL	\$10/30%/50%	HMO	\$108.32	23.5%	29.1%
RXVT3HMB502ZL	RXVT3HMB502ZL	50%	HMO	\$105.74	23.8%	29.4%
RXVT3HMB605ZL	RXVT3HMB605ZL	\$5/\$45/\$90 - \$250 Brand Ded	HMO	\$113.50	23.7%	29.4%
RXVT3HMB606ZL	RXVT3HMB606ZL	\$10/\$30/\$50 \$100 Ded	HMO	\$113.56	23.7%	29.4%
RXVT3HMB607ZL	RXVT3HMB607ZL	\$10/\$30/\$50 \$250 Brand Ded	HMO	\$112.60	23.6%	29.3%
RXVT3HMB608ZL	RXVT3HMB608ZL	\$15/\$45/\$75 \$100 Ded	HMO	\$112.73	23.7%	29.4%
RXVT3HMB609ZL	RXVT3HMB609ZL	\$5/\$45/\$90 \$100 Ded	HMO	\$113.54	23.7%	29.4%
RXVT3HMB610ZL	RXVT3HMB610ZL	\$15/\$45/\$75	HMO	\$116.12	23.7%	29.3%
RXVT3H[MB/DH]550L	RXVT3HDH550L	Removes MAC Pricing	HMO	\$1.43	5.9%	10.9%
RXVT3H[MB/DH]551L	RXVT3HDH551L	Change mail copay from 2.5 to 2.0	HMO	\$0.64	6.7%	12.3%
RXVT3H[MB/DH]550L	RXVT3HMB550L	Removes MAC Pricing	HMO	\$1.43	5.9%	10.9%
RXVT3H[MB/DH]551L	RXVT3HMB551L	Change mail copay from 2.5 to 2.0	HMO	\$0.64	6.7%	12.3%

**Exhibit 4c -- Rx Riders (Q2 2025)**

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between April 1, 2025 - June 30, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
RXVT3HMB500ZL	RXVT3HMB500ZL	\$10/\$30/\$50	HMO	\$118.91	1.6%	29.3%
RXVT3HMB501ZL	RXVT3HMB501ZL	\$10/30%/50%	HMO	\$110.05	1.6%	29.3%
RXVT3HMB502ZL	RXVT3HMB502ZL	50%	HMO	\$107.43	1.6%	29.5%
RXVT3HMB605ZL	RXVT3HMB605ZL	\$5/\$45/\$90 - \$250 Brand Ded	HMO	\$115.32	1.6%	29.5%
RXVT3HMB606ZL	RXVT3HMB606ZL	\$10/\$30/\$50 \$100 Ded	HMO	\$115.38	1.6%	29.5%
RXVT3HMB607ZL	RXVT3HMB607ZL	\$10/\$30/\$50 \$250 Brand Ded	HMO	\$114.40	1.6%	29.4%
RXVT3HMB608ZL	RXVT3HMB608ZL	\$15/\$45/\$75 \$100 Ded	HMO	\$114.53	1.6%	29.5%
RXVT3HMB609ZL	RXVT3HMB609ZL	\$5/\$45/\$90 \$100 Ded	HMO	\$115.36	1.6%	29.5%
RXVT3HMB610ZL	RXVT3HMB610ZL	\$15/\$45/\$75	HMO	\$117.98	1.6%	29.4%
RXVT3H[MB/DH]550L	RXVT3HDH550L	Removes MAC Pricing	HMO	\$1.45	1.4%	10.7%
RXVT3H[MB/DH]551L	RXVT3HDH551L	Change mail copay from 2.5 to 2.0	HMO	\$0.65	1.6%	12.1%
RXVT3H[MB/DH]550L	RXVT3HMB550L	Removes MAC Pricing	HMO	\$1.45	1.4%	10.7%
RXVT3H[MB/DH]551L	RXVT3HMB551L	Change mail copay from 2.5 to 2.0	HMO	\$0.65	1.6%	12.1%



**Exhibit 4c -- Rx Riders (Q3 2025)**

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between July 1, 2025 - September 30, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
RXVT3HMB500ZL	RXVT3HMB500ZL	\$10/\$30/\$50	HMO	\$120.81	1.6%	29.4%
RXVT3HMB501ZL	RXVT3HMB501ZL	\$10/30%/50%	HMO	\$111.81	1.6%	29.4%
RXVT3HMB502ZL	RXVT3HMB502ZL	50%	HMO	\$109.15	1.6%	29.7%
RXVT3HMB605ZL	RXVT3HMB605ZL	\$5/\$45/\$90 - \$250 Brand Ded	HMO	\$117.17	1.6%	29.6%
RXVT3HMB606ZL	RXVT3HMB606ZL	\$10/\$30/\$50 \$100 Ded	HMO	\$117.23	1.6%	29.7%
RXVT3HMB607ZL	RXVT3HMB607ZL	\$10/\$30/\$50 \$250 Brand Ded	HMO	\$116.23	1.6%	29.5%
RXVT3HMB608ZL	RXVT3HMB608ZL	\$15/\$45/\$75 \$100 Ded	HMO	\$116.36	1.6%	29.6%
RXVT3HMB609ZL	RXVT3HMB609ZL	\$5/\$45/\$90 \$100 Ded	HMO	\$117.21	1.6%	29.7%
RXVT3HMB610ZL	RXVT3HMB610ZL	\$15/\$45/\$75	HMO	\$119.87	1.6%	29.6%
RXVT3H[MB/DH]550L	RXVT3HDH550L	Removes MAC Pricing	HMO	\$1.47	1.4%	10.5%
RXVT3H[MB/DH]551L	RXVT3HDH551L	Change mail copay from 2.5 to 2.0	HMO	\$0.66	1.5%	11.9%
RXVT3H[MB/DH]550L	RXVT3HMB550L	Removes MAC Pricing	HMO	\$1.47	1.4%	10.5%
RXVT3H[MB/DH]551L	RXVT3HMB551L	Change mail copay from 2.5 to 2.0	HMO	\$0.66	1.5%	11.9%

**Exhibit 4c -- Rx Riders (Q4 2025)**

Large Group VT HMO AR44 Rate Filing  
 For Effective Dates Beginning Between October 1, 2025 - December 31, 2025

Form Name	HMO Rider	Description	Product Type	Net Required Revenue PMPM	Quarterly Change	Annual Manual Rate Change
RXVT3HMB500ZL	RXVT3HMB500ZL	\$10/\$30/\$50	HMO	\$122.74	1.6%	29.5%
RXVT3HMB501ZL	RXVT3HMB501ZL	\$10/30%/50%	HMO	\$113.60	1.6%	29.5%
RXVT3HMB502ZL	RXVT3HMB502ZL	50%	HMO	\$110.90	1.6%	29.8%
RXVT3HMB605ZL	RXVT3HMB605ZL	\$5/\$45/\$90 - \$250 Brand Ded	HMO	\$119.04	1.6%	29.7%
RXVT3HMB606ZL	RXVT3HMB606ZL	\$10/\$30/\$50 \$100 Ded	HMO	\$119.11	1.6%	29.8%
RXVT3HMB607ZL	RXVT3HMB607ZL	\$10/\$30/\$50 \$250 Brand Ded	HMO	\$118.09	1.6%	29.7%
RXVT3HMB608ZL	RXVT3HMB608ZL	\$15/\$45/\$75 \$100 Ded	HMO	\$118.22	1.6%	29.8%
RXVT3HMB609ZL	RXVT3HMB609ZL	\$5/\$45/\$90 \$100 Ded	HMO	\$119.09	1.6%	29.8%
RXVT3HMB610ZL	RXVT3HMB610ZL	\$15/\$45/\$75	HMO	\$121.79	1.6%	29.7%
RXVT3H[MB/DH]550L	RXVT3HDH550L	Removes MAC Pricing	HMO	\$1.49	1.4%	10.4%
RXVT3H[MB/DH]551L	RXVT3HDH551L	Change mail copay from 2.5 to 2.0	HMO	\$0.67	1.5%	11.7%
RXVT3H[MB/DH]550L	RXVT3HMB550L	Removes MAC Pricing	HMO	\$1.49	1.4%	10.4%
RXVT3H[MB/DH]551L	RXVT3HMB551L	Change mail copay from 2.5 to 2.0	HMO	\$0.67	1.5%	11.7%

<b>Exhibit 4d -- Medical Riders</b>
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Large Group VT HMO AR44 Rate Filing  
For Effective Dates Beginning Between January 1, 2025 - December 31, 2025

Rider For Lookup	HMO Rider	Description	Product Type	Net Required Revenue	Quarterly Change	Annual Manual Rate Change
SV3HMB01L	SV3HMB101L	\$1,000 Deductible / 40% Coinsurance / \$6,650 OOP Max	POS	3.6%	0.0%	0.0%
SV3HMB02L	SV3HMB102L	\$2,000 Deductible / 40% Coinsurance / \$6,650 OOP Max	POS	3.3%	0.0%	0.0%
SV3HDH02L	SV3HDH102L	\$2,000 Deductible / 40% Coinsurance / \$6,650 OOP Max	POS	3.3%	0.0%	0.0%
SV3HMB03L	SV3HMB103L	\$4,000 Deductible / 40% Coinsurance / \$8,000 OOP Max	POS	2.8%	0.0%	0.0%
SV3HDH03L	SV3HDH103L	\$4,000 Deductible / 40% Coinsurance / \$8,000 OOP Max	POS	2.8%	0.0%	0.0%
SV3HMB04L	SV3HMB104L	\$6,500 Deductible / 40% Coinsurance / \$13,000 OOP Max	POS	2.0%	0.0%	0.0%
SV3HDH04L	SV3HDH104L	\$6,500 Deductible / 40% Coinsurance / \$13,000 OOP Max	POS	2.0%	0.0%	0.0%
SV3HMB05L	SV3HMB105L	\$8,000 Deductible / 40% Coinsurance / \$16,000 OOP Max	POS	1.6%	0.0%	0.0%
SV3HDH05L	SV3HDH105L	\$8,000 Deductible / 40% Coinsurance / \$16,000 OOP Max	POS	1.6%	0.0%	0.0%



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August 29, 2024

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

Re: 2025 Large Group HMO Rate Filing  
SERFF Tracking #: MvPH-134197798

Dear Ms. Hughes:

This letter is in response to your correspondence received 08/22/24 regarding the above-mentioned rate filing. The responses to your questions are provided below.

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

Response: Please see the tab "Question 1" in the attached Excel document. The membership distribution shift factor represents the difference in membership between the experience period and April 2024, which was the current membership at the time of rate development.

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

Response: The premium weighted average credibility is 25% for this block of business.

*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.*

Response: The prior filing had an extra month of runout in the paid claims. Claims were paid through April 2024 in this filing and May 2023 in the prior filing, resulting in an increased total IBNR factor. The monthly factors with equivalent months of runout should be compared between the two filings. When the 202403 monthly factor from the current filing is compared to 202304 in the prior filing, and so on, the monthly factors are reasonable, and often lower in the current filing. Please see "Question 3" in the attached Excel document for our historical completion factor pattern for the Vermont commercial block of business. Column AN has the average completion factor for incurred months that are considered complete (13 months of runout). We note that the inverse of the month 1 average, 2.382, is lower than the April IBNR factor in our filing. Our claims have historically completed faster than they do now, due to an administrative process that was implemented in 2023, which instituted a lag time between receiving a claim and it being paid. The completion factors for payment month 1 in incurred months of July 2023 and onward (when the administrative payment lag was instituted) are closer to that in our filing.



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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.

Response:

### **Facility Trends**

For Facility (Inpatient and Outpatient) trends, facilities can generally be bucketed into three categories:

1. Vermont facilities under GMCB jurisdiction
2. Facilities MVP negotiates contractual discounts with directly but are not under GMCB jurisdiction
3. Facilities under a rental network arrangement, facilities that are non-participating, or facilities where discounts are negotiated on a claim-by-claim basis.

The starting point for MVP's facility trends in this rate filing is facility claims processed for all Vermont members for the calendar year 2023.

For facilities under GMCB jurisdiction, MVP is using the approved rate increases for 2024/2023 trends and the proposed rate increases currently under review by the GMCB for 2025/2024 trends. The following exceptions were made for the 2024/2023 trends:

#### **Central Vermont Medical Center (CVMC)**

In CVMC's budget submission the standard requested changes were 11.9% for IP, 11.1% for OP, and 5.0% PHY, for a total commercial increase of 10.0%. This submission was approved at 5.0% and therefore MVP is reflecting the proportional increase for each area of service: 6.0% for IP, 5.6% for OP, and 2.5% for PHY.

#### **Copley Hospital**

In Copley's budget submission the standard requested changes were 16.2% for IP, 16.2% for OP, and 3.5% PHY, for a total commercial increase of 15.0%. This submission was approved at 8.0% and therefore the proportional increase for each area of service is 8.6% for IP and 8.6% for OP. The Green Mountain Care Board approved a 7% mid-year budget increase effective in April 2024, so MVP is reflecting 14.3% in 2024 for both IP and OP.

#### **North Country Hospital**

In North Country's budget submission, the standard requested changes were 5.0% for IP, 5.0% for OP, and 0.0% PHY, for a total commercial increase of 4.5%. This submission was approved at 4.0% and therefore MVP is reflecting the proportional increase for each area of service: 4.4% for IP and 4.4% for OP.

#### **Northeast Vermont Regional Hospital**

In NVRH's budget submission, the standard requested changes were 16.8% for IP, 16.8% for OP, and 0.0% PHY, for a total commercial increase of 15.0%. This submission was approved at 8.0% and therefore MVP is reflecting the proportional increase for each area of service: 9.0% for IP and 9.0% for OP.



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### **Springfield Hospital**

In Springfield's budget submission, the standard requested changes were 1.8% for IP, 8.4% for OP, and 7.7% PHY, for a total commercial increase of 7.0%. This submission was approved at 6.0% and therefore MVP is reflecting the proportional increase for each area of service: 1.5% for IP and 7.2% for OP.

### **University of Vermont Medical Center (UVMC)**

In UVMC's budget submission the standard requested changes were 11.3% for IP, 11.3% for OP, and 5.0% PHY, for a total commercial increase of 10.0%. This submission was approved at 3.1% and therefore MVP is reflecting the proportional increase for each area of service: 3.5% for IP, 3.5% for OP, and 1.6% for PHY.

The trends for facilities under the GMCB's jurisdiction are 3.9% IP / 5.3% OP for 2024/2023 and 6.9% IP / 6.3% OP for 2025/2024.

### **Non-GMCB Facilities**

For hospitals that negotiate contractual discounts with MVP directly but are not governed by the GMCB, the trends reflected are the most up-to-date information based on negotiations with the respective facilities. This includes the Green Mountain Surgery Center in Vermont and Dartmouth-Hitchcock Medical Center in New Hampshire.

The final bucket reflects all remaining facilities with utilization by VT Exchange members, [REDACTED] MVP contracts with a partner to provide in-network access to hospitals throughout the country. This also includes New York Participating Hospitals, which represents a weighted average of contracted increases, based on actual utilization of Vermont members at New York facilities.

Because MVP does not receive trend analysis from this rental network partner, MVP has historically analyzed claim data for its commercial book of business under the rental network arrangement to determine a unit cost trend.

[REDACTED] Therefore, MVP has set this line item equal to the New York Participating Hospitals trend, implicitly assuming that its rental network partner negotiates similarly to MVP.

Overall facility trends are calculated using a weighted average based on 2023 utilization and are 4.9% IP / 5.4% OP for 2024/2023 and 6.6% IP / 6.5% OP for 2025/2024. Please see the tab "Question 4 Facility Trends" in the attached Excel workbook for the quantitative derivation of the trends.

### **Physician Trends**

MVP has a few different contracting partners for physician claims in Vermont, including medical groups in VT/NH/NY, individual physicians participating in MVP's network, and physicians outside of MVP's network. The following physician groups are under the GMCB's jurisdiction: UVMC, Porter, Rutland and CVMC. Those trends match the approved GMCB rate increases for 2024, with the same exceptions previously explained. 2025 trends are assumed to be equal to the most recent proposed hospital budgets.



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All the other groups participating with MVP reflect MVP's best estimate of negotiated payment rates for 2024 and 2025, including claims for Vermont members at New York physician groups.

A similar analysis was performed for physician claims incurred via MVP's rental network as was performed on the facility side. MVP came to a similar conclusion, so the trend for rental network claims is equal to the New York physician trend. Note that for physician claims which are negotiated on an individual basis or for providers which do not participate in either (MVP or rental) network, MVP is reflecting the trend for its New York MVPHP participating providers. This is MVP's best estimate of those trends.

The individual trends are weighted together using 2023 experience for all Vermont members (in a similar fashion to the facility trends). The resulting physician trend is 1.7% for 2024/2023 and 3.0% for 2025/2024. Please see the "Question 4 Physician Trends" tab in the attached Excel workbook for a quantitative derivation of this calculation.

*5. Please provide the analysis of medical utilization trends that was used to support the filed utilization trend assumption of a 0.5%.*

Response: MVP used the triple exponential smoothing forecasting method for analyzing historical utilization patterns and projecting them to the rating period. MVP has experienced low membership in this block of business in the recent past, which may lead to volatility and influence the results of historical trend methodologies. The utilization data is aggregated into rolling 12-month time periods at the service category level and adjusted for age/gender based on the Milliman age/gender table. The data inputs as well as the model outputs for the service categories can be seen on tabs "Question 5 Inpatient", "Question 5 Outpatient", and "Question 5 Physician" in the provided Excel workbook. The results of the blended distribution can be seen in tab "Question 5 Aggregate" in the provided Excel workbook. The 0.5% utilization trend assumption lands between the 60<sup>th</sup> and 70<sup>th</sup> percentile, which we believe to be reasonable and appropriate.

*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.?*

Response: The 2026 medical trend is equal to 2025 and the 2026 Rx trend comes from our PBM. The 2026/2025 medical trend of 1.065 is the multiplication of the 5.8% allowed trend and 0.6% annual leveraging factor found on Exhibit 2a. The 2026/2025 Rx trend of 1.102 is the multiplication of the 9.3% allowed trend and 0.8% annual leveraging factor found on the bottom of Exhibit 2a. The "other" trend is a weighted average of the medical and Rx allowed trends, using the 2025 Q1 projected medical and Rx expenses as weights.

*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.*

Response: MVP is provided with pharmacy trend estimates by its Pharmacy Benefit Manager, CVSHealth. These trends are run for all of MVP's Vermont fully insured membership (ACA and Large Group) and use historical utilization and unit cost data for those populations. This historical data is combined with CVSHealth estimates of changes in utilization, unit cost and generic dispensing rates to calculate their best estimate of Gross PMPM claim cost trends for



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2024 and 2025. MVP also applies its best estimate of contract changes between the experience period and the rating period to the unit cost information using a trend model provided by CVSHealth. Please see the attached exhibit (CONFIDENTIAL\_MVP\_Vermont\_4Q2023\_CSTM\_02152024\_v2) which provides CVSHealth's best estimate of trends as of the time of the filing. The individual cost components (unit cost and utilization by Generic/Brand/Specialty) are calculated as follows:

**Generic:** Unit Cost trend is represented by Generic Non-Specialty Cost/Day trend which is found in cell L46 on Page 1 (2024), Page 2 (2025), and Page 3 (2026) of the attached. Generic Non-Specialty Gross Cost PMPM Trend can be found in cell J46 on Page 4 (2024), Page 5 (2025), and Page 6 (2026) of the attached. Utilization is then calculated by taking Gross Cost PMPM Trend divided by the unit cost trend.

**Brand:** Unit Cost trend is represented by Brand Non-Specialty Cost/Day trend which is found in cell M46 on Page 1 (2024), Page 2 (2025), and Page 3 (2026) of the attached. Brand Non-Specialty Gross Cost PMPM Trend can be found in cell F46 on Page 4 (2024), Page 5 (2025), and Page 6 (2026) of the attached. Utilization is then calculated by taking Gross Cost PMPM Trend divided by the unit cost trend. The impact of brand drugs moving to generic is implicitly covered under the cost/day trend under this methodology. This reflects the utilization of the current drug being re-weighted from the brand bucket to the generic bucket.

**Specialty:** Utilization trend is represented by Specialty Utilization trend which is found in cell N47 on Page 1 (2024), Page 2 (2025), and Page 3 (2026) of the attached. Specialty Gross Cost PMPM can be found in cell G47 on Page 1 (2024), Page 2 (2025), and Page 3 (2026) of the attached. Specialty unit cost trend is then calculated by taking Gross Cost PMPM Trend divided by the utilization trend.

CVSHealth buckets non-Specialty drugs by the first 2 characters of the GPI and Specialty drugs using their proprietary Rx Navigator methodology. The individual contribution of these buckets to Gross Cost PMPM trend can be found in column I of Page 1 (2024), Page 2 (2025), and Page 3 (2026) of the attached. The Other bucket for non-Specialty claims includes all GPI categories not explicitly listed and the other bucket for Specialty claims include all conditions not explicitly listed.

*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.*

**Response:** Please see the following table for this trend analysis. Trends are taken from the most recent rate filing where a trend occurred (for instance, the 2022 to 2023 expected trend is taken from the 2024 VT LG HMO filing). The third column indicates the trend that was expected by the PBM/company, and the fourth column reflects what was ultimately approved in the filing.





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While reviewing the table, it is important to note that the expected trends are developed on MVP’s total Vermont business and the actual trends are MVP’s Vermont large group business. As Large group makes up a small percentage of the total Vermont business, it is expected that actual trends will differ from expected. Similarly, MVP’s Vermont large group business has limited membership and one drug being prescribed to a member could significantly impact annual trends.

**Comparison of Actual to Expected Pharmacy Allowed Trend, 2019 to 2023, VT Large Group**

Year	Actual	Expected (PBM)	Expected (Approved)
2023/2022	9.4%	10.4%	8.3%
2022/2021	7.0%	10.2%	5.9%
2021/2020	3.4%	11.9%	11.9%
2020/2019	53.9%	5.6%	5.6%
2019/2018	7.1%	8.2%	8.2%

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).

Response: MVP would like to note that the pooling charge of 3.0% is not the pooling charge that is charged on a group by group basis but is simply an adjustment to the manual rates to remove the impact of claim variability on a relatively small population. Because this adjustment is being made to the manual rates, which are only one component of a group’s overall premium rate, it is difficult to evaluate the “net gain or loss” of this adjustment across the entire portfolio.

Please see the tab “Question 9” in the attached Excel file for the implied pooling charges from the Vermont Large Group population for the past 5 calendar years. The pooling charge was high during the years of 2020 and 2021 but has lowered in the post-COVID years. Our pooling charge of 3.0% is equal to the average percentage of claims over \$250,000 in this block during the past three years (May 2021 – April 2024). Over the five-year time period, the amount that has been added to manual rates for claims over \$250,000 is generally higher than what has been experienced, which has resulted in MVP going back to utilizing Vermont-specific data to drive the calculation (as opposed to previous filings, where a factor based on New York data was used).

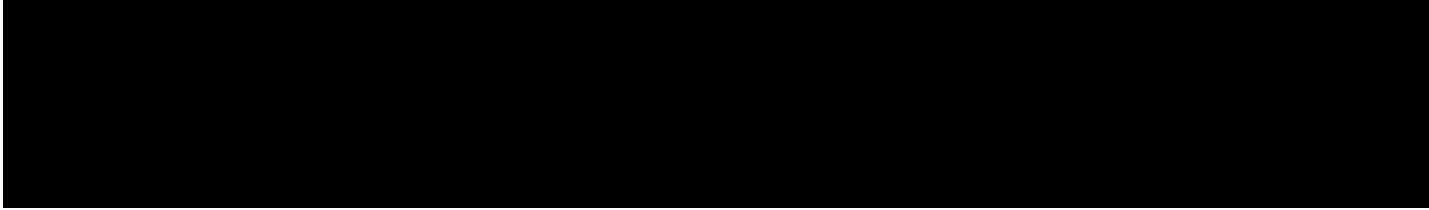
10. Regarding the \$5.71 PMPM increase for H.766, please provide detailed quantitative and further qualitative support for this adjustment.

Response: For prior authorization, MVP’s actuarial team was provided cost estimates for the prohibition of health plans “imposing prior authorization requirements on any admission, item, service, treatment or procedure ordered by a primary care provider.” This includes estimates both from MVP’s internal Medical Economics team as well as for programs related to Oncology and Radiology (assuming in both cases that these services may be ordered by the member’s primary care provider). This totaled approximately [REDACTED] across MVP’s Vermont commercial population for 2023.



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Specifically, the Prior Authorization costs break down into the following buckets:



For step therapy, MVP’s pharmacy team informed the actuarial team that there would be minimal disruption to our current policies and procedures and therefore no cost impact.

For pre-payment review, MVP’s actuarial team was provided with data that estimated the value of a [redacted]

To convert the allowed claim increases to a paid claim increase in the rate filing, MVP performed the following calculation:

Total Allowed Claim Cost Increases	\$2,718,630	(a)
2023 Average Paid/Allowed Ratio, Commercial Lines of Business	79%	(b)
Estimated Paid Claim Cost Impact	\$2,147,718	(c) = (a) * (b)
2023 Paid Claims, Vermont Commercial Lines of Business	\$226,743,943	(d)
<b>Estimated Paid Claim Cost Impact</b>	<b>0.9%</b>	<b>(e) = (c) / (d)</b>

In the rate filings, MVP has assumed this will increase trended paid claim expense by 0.9% (with the assumption that these payment policies will cost more in 2025 than in 2023 due to unit cost and utilization trend increases consistent with paid claims). This results in the \$5.71 PMPM adjustment on Exhibit 3a.

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.

Response: Please see the table below for the itemized breakdown requested.

Breakdown of VT Large Group Taxes/Fees		
	Approved in 2024 Filing	Proposed in 2025 Filing
Broker Load	2.4%	2.1%
VT Vaccine Pilot	0.62%	0.49%
Bad Debt	0.25%	0.25%
Comparative Effectiveness Research Fee	\$0.25	\$0.27
18 VSA 9374(h) Billback	\$2.37	\$2.53
Risk Margin	1.5%	2.0%



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**Broker Load-** Broker commissions for Vermont large groups are variable, consistent with MVP’s broker commission schedule that is filed annually with the state of New York Department of Financial Services. The 2.1% reflects MVP’s best estimate of the average broker load for all groups across our Vermont Large Group portfolio.

**VT Vaccine Pilot-** In MVP’s 2024 Large group filing the vaccine pilot costs assumed are \$13.54 PMPM for children and \$2.74 PMPM for adults for state fiscal year (SFY) 2024 and \$15.05 PMPM for children and \$3.00 PMPM for adults in SFY 2025. In MVP’s 2025 Large group filing, the costs are \$10.66 PMPM for children and \$1.54 PMPM for adults for SFY 2025 and \$15.31 PMPM for children and \$2.55 PMPM for adults in SFY 2026. The decrease in projected PMPM costs for this program as a percent of premium is driving the 0.1% decrease in the VT vaccine pilot.

**Comparative Effectiveness Research Fee-** The annual rate for this fee has been increased from \$3.00 to \$3.22 which results in a \$0.02 increase on a PMPM basis.

**18 VSA 9374(h) Billback-** \$2.53 PMPM is added for fees MVP must pay to the State of Vermont to help fund expenses incurred by state agencies and other non-profit organizations on MVP’s behalf, including the Green Mountain Care Board, the Vermont Program for Quality in Health Care, Inc. and the Office of the Health Care Advocate. MVP expects its liability for 2025 to be \$0.15 higher than the number estimated in the 2024 rate filing.

**Contribution to Reserves-** MVP proposed a 2.0% contribution to reserves (CTR) in the 2024 rate filing which was reduced to 1.5% in the rate decision. MVP is reinstating the proposal of 2.0% CTR in the 2025 filing because we believe that this is the level necessary to ensure long term stability of reserves as claim costs continue to rise year over year.

*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.*

Response: Please see the tab “Question 12” in the attached Excel file for this analysis.

*13. Please provide the current distribution of large groups by the applied underwriting discretion factor.*

Response: Please see the table below that shows the distribution of groups by underwriting discretion factor.

Current Distribution of UW Discretion VT Large Group	
Range	Groups
5% to 10%	0
0% to 5%	5
-5% to 0%	1
-10% to -5%	0
-15% to -10%	3



625 State Street, PO Box 2207  
Schenectady, NY 12301-2207  
[mvphealthcare.com](http://mvphealthcare.com)

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14. *What is the expected range of the underwriting discretion factor for 2024?*

Response: The expected range of underwriting discretion is -10% to 10% for all existing and new business quoted for 2025.

15. *Please provide the federal loss ratio for this block of business in 2023.*

Response: The federal loss ratio for VT LG in 2023 was 99.9%. This is a one-year calculation that does not have credibility adjustments applied.

The federal loss ratio for VT LG filed in 2023 for the three-year time period 2021-2023 (including credibility adjustments) is 97.6%.

16. *Please provide the actual gain/(loss) on the MVP large group block of business compared to the ordered risk margin for 2023.*

Response: In 2023, the MVP Vermont large group block had a loss of 3.2% and was ordered a 1.0% risk margin. The actual margin was calculated on a run rate basis instead of a financial statement basis to best represent our premiums and claims in each period.

17. *Please provide the Company's risk-based capital ratio for 2023.*

Response: The RBC ratio in 2023 was 417%.

If you have any questions or require any additional information, please contact me at [ebachner@mvphealthcare.com](mailto:ebachner@mvphealthcare.com).

Sincerely,

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

Eric Bachner, ASA  
Director, Commercial Market & Valuation Actuary  
MVP Health Care, Inc.

Question 1

	<b>1Q25 Annual Manual Rate</b>	<b>2Q25 Annual Manual Rate</b>	<b>3Q25 Annual Manual Rate</b>	<b>4Q25 Annual Manual Rate</b>
	<b>Change</b>	<b>Change</b>	<b>Change</b>	<b>Change</b>
1st Quarterly Rate Change (Claim Costs)	1.5%	1.5%	1.5%	6.0%
2nd Quarterly Rate Change (Claim Costs)	1.5%	1.5%	6.0%	1.6%
3rd Quarterly Rate Change (Claim Costs)	1.5%	6.0%	1.6%	1.6%
4th Quarterly Rate Change (Claim Costs)	6.0%	1.6%	1.6%	1.6%
Membership Distribution Shift	0.2%	0.2%	0.2%	0.2%
Changes in Retention/Loss Ratio	0.1%	0.1%	0.1%	0.1%
Other Factors	N/A	N/A	N/A	N/A
<b>Total Rate Change</b>	<b>11.1%</b>	<b>11.2%</b>	<b>11.4%</b>	<b>11.5%</b>





Question 3

Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
0.2596	0.2775	0.1872	0.1304	0.2332	0.2812	0.2421	
0.8681	0.8594	0.5315	0.8300	0.8948	0.8888		
0.9341	0.9473	0.9547	0.9590	0.9758			
0.9925	0.9791	0.9819	0.9907				
0.9810	0.9766	0.9869					
0.9978	0.9964						
0.9988							

Average CF	Inverse
0.4197	2.3824
0.8909	1.1225
0.9660	1.0352
0.9822	1.0181
0.9892	1.0110
0.9903	1.0098
0.9974	1.0026
0.9990	1.0010
0.9962	1.0038
0.9986	1.0015
0.9995	1.0005
0.9993	1.0007
0.9990	1.0010



Question 4 Facility Trends

**Derivation of Inpatient Trends for VT LG HMO, 2024-2025, by Provider**

Facility Name	Inpatient %	2024 IP		2025 IP		Notes
		Contract	2024 Trended IP %	Contract		
Brattleboro Memorial Hospital						Hospital Proposed Rate
Brattleboro Retreat						GMCB Rate effective 01/01/24
Central Vermont Physicians Medical Center						Hospital Proposed Rate
Copley Hospital						Hospital Proposed Rate
Gifford Medical Center						Hospital Proposed Rate
Grace Cottage Hospital						Hospital Proposed Rate
Green Mountain Surgery Center						Best estimate of contract negotiation
Mt. Ascutney Hospital						Hospital Proposed Rate
North Country Hospital						Hospital Proposed Rate
Northeast Vermont Regional Hospital						Hospital Proposed Rate
Northwestern Medical Center						Hospital Proposed Rate
Porter Hospital						Hospital Proposed Rate
Rutland Regional						Hospital Proposed Rate
Southwestern Vermont Medical Center						Hospital Proposed Rate
Springfield Hospital						Hospital Proposed Rate
University of Vermont Medical Center						Hospital Proposed Rate
Dartmouth-Hitchcock Medical Center (NH)						Best estimate of contract negotiation
Rental/NY/Negotiated/Other						Blend of best estimates and effective contracts
<b>TOTAL, GMCB HOSPITALS</b>	<b>54.9%</b>	<b>3.9%</b>	<b>54.3%</b>	<b>6.9%</b>		
<b>TOTAL, ALL HOSPITALS</b>	<b>100.0%</b>	<b>4.9%</b>	<b>100.0%</b>	<b>6.6%</b>		

**Derivation of Outpatient Trends for VT LG HMO, 2024-2025, by Provider**

Facility Name	Outpatient %	2024 OP		2025 OP		Notes
		Contract	2024 Trended OP %	Contract		
Brattleboro Memorial Hospital						Hospital Proposed Rate
Brattleboro Retreat						GMCB Rate effective 01/01/24
Central Vermont Physicians Medical Center						Hospital Proposed Rate
Copley Hospital						Hospital Proposed Rate
Gifford Medical Center						Hospital Proposed Rate
Grace Cottage Hospital						Hospital Proposed Rate
Green Mountain Surgery Center						Best estimate of contract negotiation
Mt. Ascutney Hospital						Hospital Proposed Rate
North Country Hospital						Hospital Proposed Rate
Northeast Vermont Regional Hospital						Hospital Proposed Rate
Northwestern Medical Center						Hospital Proposed Rate
Porter Hospital						Hospital Proposed Rate
Rutland Regional						Hospital Proposed Rate
Southwestern Vermont Medical Center						Hospital Proposed Rate
Springfield Hospital						Hospital Proposed Rate
University of Vermont Medical Center						Hospital Proposed Rate
Dartmouth-Hitchcock Medical Center (NH)						Best estimate of contract negotiation
Rental/NY/Negotiated/Other						Blend of best estimates and effective contracts
<b>TOTAL, GMCB HOSPITALS</b>	<b>73.9%</b>	<b>5.3%</b>	<b>73.9%</b>	<b>6.3%</b>		
<b>TOTAL, ALL HOSPITALS</b>	<b>100.0%</b>	<b>5.4%</b>	<b>100.0%</b>	<b>6.5%</b>		

Question 4 Physician Trends

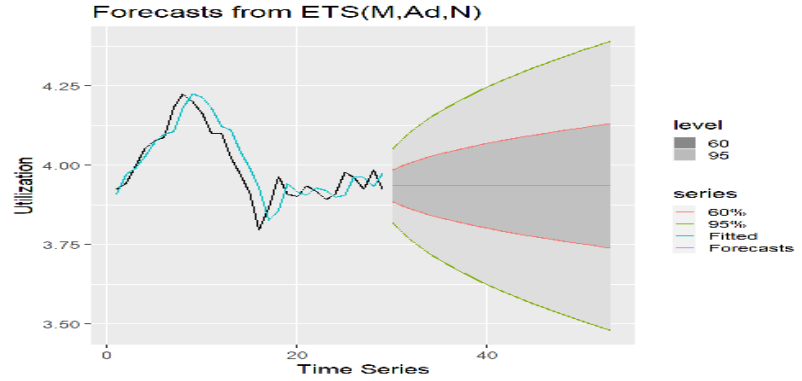
**Derivation of Physician Trends for VT LG HMO, 2024-2025, by Provider**

Facility Name	Physician %	2024 PHY		2025 PHY	
		Contract	2024 Trended PHY %	Contract	
UVMCC					
Rutland Regional					
CVMC					
Porter Hospital					
HealthFirst					
VT Community					
All Other Vermont					
VT PT-OT					
VT BH					
VT Chiro					
New Hampshire Participating					
Ambulatory - Ancillary					
DME - Ancillary					
Home Infusion - Ancillary					
Lab - Ancillary					
Rental/NY/Negotiated/Other					
<b>TOTAL</b>	<b>100.0%</b>	<b>1.7%</b>	<b>100.0%</b>	<b>3.0%</b>	

Prediction Intervals for Utilization

Data set: VT IP

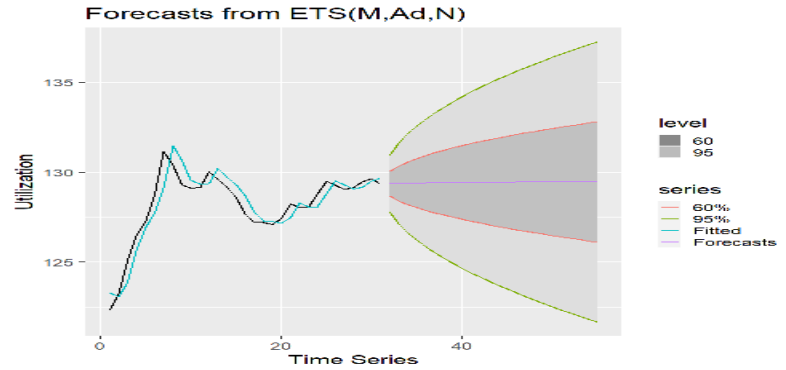
R12 Ending	Timeline	Values	Forecast	Lower Bound 60% Confidence	Upper Bound 60% Confidence	Lower Bound 95% Confidence	Upper Bound 95% Confidence
2021-06	1	3.924209407					
2021-07	2	3.943194525					
2021-08	3	3.996441905					
2021-09	4	4.053764201					
2021-10	5	4.07762955					
2021-11	6	4.086869135					
2021-12	7	4.18294201					
2022-01	8	4.223912842					
2022-02	9	4.199713959					
2022-03	10	4.163198343					
2022-04	11	4.100982667					
2022-05	12	4.101575002					
2022-06	13	4.023547766					
2022-07	14	3.973248699					
2022-08	15	3.911672041					
2022-09	16	3.796917228					
2022-10	17	3.865756267					
2022-11	18	3.965552228					
2022-12	19	3.909236041					
2023-01	20	3.901984278					
2023-02	21	3.935036943					
2023-03	22	3.917829034					
2023-04	23	3.892587358					
2023-05	24	3.908093793					
2023-06	25	3.9792618					
2023-07	26	3.961855021					
2023-08	27	3.924609191					
2023-09	28	3.985996295					
2023-10	29	3.924486872					
2023-11	30		3.935533959	3.886055001	3.985012917	3.820307571	4.050760348
2023-12	31		3.935561236	3.872669481	3.99845299	3.789099183	4.082023289
2024-01	32		3.935583058	3.861589005	4.00957711	3.76326602	4.107900096
2024-02	33		3.935600515	3.851904749	4.019296281	3.740690168	4.130510862
2024-03	34		3.935614481	3.843186118	4.028042845	3.720367698	4.150861265
2024-04	35		3.935625654	3.835188554	4.036062755	3.701728158	4.169523151
2024-05	36		3.935634593	3.827757142	4.043512044	3.684410039	4.186859147
2024-06	37		3.935641744	3.820786233	4.050497255	3.668166713	4.203116775
2024-07	38		3.935647465	3.814199821	4.057095108	3.652820704	4.218474225
2024-08	39		3.935652041	3.807940973	4.06336311	3.638239042	4.233065041
2024-09	40		3.935655703	3.801965662	4.069345744	3.624318898	4.246992508
2024-10	41		3.935658632	3.796238972	4.075078292	3.610978715	4.260338549
2024-11	42		3.935660975	3.79073263	4.08058932	3.598152456	4.273169494
2024-12	43		3.93566285	3.785423343	4.085902357	3.585785719	4.285539981
2025-01	44		3.93566435	3.780291638	4.091037062	3.573833032	4.297495668
2025-02	45		3.93566555	3.775321034	4.096010066	3.562255916	4.309075183
2025-03	46		3.935666509	3.770497432	4.100835587	3.551021458	4.320311561
2025-04	47		3.935667277	3.765808658	4.105525897	3.54010124	4.331233314
2025-05	48		3.935667892	3.761244112	4.110091671	3.529470529	4.341865254
2025-06	49		3.935668383	3.756794499	4.114542267	3.519107635	4.352229132
2025-07	50		3.935668776	3.752451613	4.11888594	3.508993417	4.362344136
2025-08	51		3.935669091	3.748208168	4.123130014	3.499110884	4.372227298
2025-09	52		3.935669343	3.744057663	4.127281022	3.489444871	4.381893815
2025-10	53		3.935669544	3.739994265	4.131344822	3.479981779	4.391357308



Prediction Intervals for Utilization

Data set: VT OP

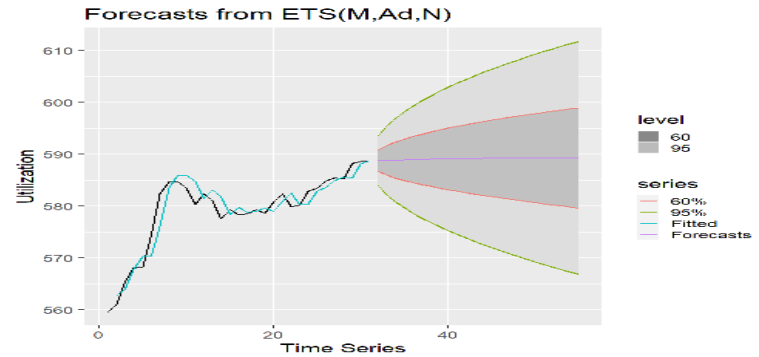
R12 Ending	Timeline	Values	Forecast	Lower Bound 60% Confidence	Upper Bound 60% Confidence	Lower Bound 95% Confidence	Upper Bound 95% Confidence
2021-06	1	122.3755937					
2021-07	2	123.2507142					
2021-08	3	125.104325					
2021-09	4	126.4723009					
2021-10	5	127.3117071					
2021-11	6	128.7512778					
2021-12	7	131.1499335					
2022-01	8	130.3775359					
2022-02	9	129.2933521					
2022-03	10	129.128427					
2022-04	11	129.1657661					
2022-05	12	130.0437934					
2022-06	13	129.5928495					
2022-07	14	129.1748811					
2022-08	15	128.5863935					
2022-09	16	127.7034053					
2022-10	17	127.2131319					
2022-11	18	127.209282					
2022-12	19	127.0986798					
2023-01	20	127.4229811					
2023-02	21	128.2384051					
2023-03	22	128.0480614					
2023-04	23	128.0276943					
2023-05	24	128.7733004					
2023-06	25	129.5033326					
2023-07	26	129.276305					
2023-08	27	129.0402769					
2023-09	28	129.1670053					
2023-10	29	129.4844705					
2023-11	30	129.647635					
2023-12	31	129.3532666					
2024-01	32		129.3672747	128.6861687	130.0483808	127.7811179	130.9534316
2024-02	33		129.3795617	128.4162349	130.3428886	127.1361703	131.6229532
2024-03	34		129.3903391	128.210399	130.5702792	126.6424996	132.1381787
2024-04	35		129.3997924	128.0371965	130.7623882	126.2265849	132.5729998
2024-05	36		129.4080841	127.8845327	130.9316355	125.860044	132.9561242
2024-06	37		129.4153572	127.7462649	131.0844494	125.5283821	133.3023322
2024-07	38		129.4217366	127.6187847	131.2246884	125.2230299	133.6204433
2024-08	39		129.4273322	127.4997697	131.3548947	124.9384328	133.9162317
2024-09	40		129.4322404	127.3876267	131.4768541	124.6707526	134.1937281
2024-10	41		129.4365455	127.2812101	131.5918809	124.4172094	134.4558815
2024-11	42		129.4403216	127.1796654	131.7009779	124.1757148	134.7049285
2024-12	43		129.4436339	127.0823362	131.8049316	123.9446537	134.942614
2025-01	44		129.4465391	126.9887057	131.9043726	123.7227469	135.1703313
2025-02	45		129.4490874	126.8983587	131.9998162	123.5089611	135.3892138
2025-03	46		129.4513227	126.8109556	132.0916897	123.302447	135.6001983
2025-04	47		129.4532832	126.7262144	132.1803521	123.1024968	135.8040697
2025-05	48		129.455003	126.6438977	132.2661082	122.9085128	136.0014931
2025-06	49		129.4565114	126.5638032	132.3492195	122.7199849	136.1930379
2025-07	50		129.4578345	126.485757	132.4299119	122.536473	136.3791959
2025-08	51		129.458995	126.4096077	132.5083822	122.3575948	136.5603952
2025-09	52		129.4600129	126.3352228	132.584803	122.1830149	136.737011
2025-10	53		129.4609058	126.2624852	132.6593264	122.0124373	136.9093743
2025-11	54		129.461689	126.1912907	132.7320872	121.8455993	137.0777787
2025-12	55		129.4623759	126.1215463	132.8032056	121.6822659	137.242486



Prediction Intervals for Utilization

Data set: VT PHY

R12 Ending	Timeline	Values	Forecast	Lower Bound 60% Confidence	Upper Bound 60% Confidence	Lower Bound 95% Confidence	Upper Bound 95% Confidence
2021-06	1	559.5926943					
2021-07	2	561.0510047					
2021-08	3	565.4223621					
2021-09	4	568.0690613					
2021-10	5	568.2827917					
2021-11	6	574.549943					
2021-12	7	582.351805					
2022-01	8	584.6558117					
2022-02	9	584.7572946					
2022-03	10	583.5600365					
2022-04	11	580.2938304					
2022-05	12	582.3408699					
2022-06	13	581.0238574					
2022-07	14	577.5277458					
2022-08	15	579.2720953					
2022-09	16	578.2847308					
2022-10	17	578.5386547					
2022-11	18	579.2754012					
2022-12	19	578.6207984					
2023-01	20	580.7257532					
2023-02	21	582.3716579					
2023-03	22	579.8901691					
2023-04	23	580.1335167					
2023-05	24	582.8637166					
2023-06	25	583.4734663					
2023-07	26	584.8560574					
2023-08	27	585.4764395					
2023-09	28	585.207523					
2023-10	29	588.2159179					
2023-11	30	588.6321916					
2023-12	31	588.6625047					
2024-01	32		588.7404035	586.6658502	590.8149569	583.9091924	593.5716146
2024-02	33		588.8077023	585.9509	591.6645045	582.1547932	595.4606113
2024-03	34		588.8671003	585.4000657	592.3341348	580.7930848	596.9411157
2024-04	35		588.919525	584.9344735	592.9045765	579.6391538	598.1998962
2024-05	36		588.9657951	584.5225874	593.4090029	578.6184716	599.3131187
2024-06	37		589.0066332	584.1481787	593.8650876	577.6922849	600.3209815
2024-07	38		589.0426769	583.801687	594.2836669	576.8374816	601.2478723
2024-08	39		589.0744892	583.4769733	594.672005	576.0390178	602.1099605
2024-09	40		589.1025667	583.169851	595.0352824	575.2864834	602.9186501
2024-10	41		589.127348	582.8773325	595.3773635	574.5723382	603.6823577
2024-11	42		589.14922	582.5972089	595.701231	573.8909242	604.4075157
2024-12	43		589.1685242	582.327799	596.0092494	573.2378721	605.0991763
2025-01	44		589.1855621	582.0677916	596.303327	572.6097281	605.7613962
2025-02	45		589.2005998	581.8161426	596.5850571	572.0037068	606.3974929
2025-03	46		589.2138721	581.5720048	596.8557394	571.4175238	607.0102205
2025-04	47		589.2255863	581.3346801	597.1164925	570.8492772	607.6018954
2025-05	48		589.2359252	581.1035842	597.3682662	570.2973638	608.1744867
2025-06	49		589.2450504	580.8782221	597.6118787	569.7604158	608.7296849
2025-07	50		589.2531042	580.6581689	597.8480396	569.237255	609.2689535
2025-08	51		589.2602126	580.4430566	598.0773686	568.7268568	609.7935684
2025-09	52		589.2664864	580.2325628	598.3004101	568.2283231	610.3046497
2025-10	53		589.2720237	580.0264029	598.5176445	567.740861	610.8031865
2025-11	54		589.276911	579.8243236	598.7294983	567.2637653	611.2900566
2025-12	55		589.2812244	579.6260975	598.9363513	566.7964056	611.7660433



Question 5 Aggregate

Utilization	R12 Ending	Timeline	Values	Forecast	Lower Bound 60% Confidence	Upper Bound 60% Confidence	Lower Bound 95% Confidence	Upper Bound 95% Confidence		
IP	2023-10	29	3.92							
IP	2025-10	53		3.94	3.74	4.13	3.48	4.39		
OP	2023-12	31	129.35							
OP	2025-12	55		129.46	126.12	132.80	121.68	137.24		
PHY	2023-12	31	588.66							
PHY	2025-12	55		589.28	579.63	598.94	566.80	611.77		
<b>24 month Trends</b>										
Utilization	Mean	Standard Deviation	Weight							
IP	0.28%	5.92%	21.17%							
OP	0.08%	3.07%	50.53%							
PHY	0.11%	1.95%	28.30%							
Blend	0.13%	2.07%								
<b>2-Year Trends</b>										
5th Percentile	10th Percentile	20th Percentile	30th Percentile	40th Percentile	50th Percentile	60th Percentile	70th Percentile	80th Percentile	90th Percentile	95th Percentile
-3.27%	-2.52%	-1.61%	-0.95%	-0.39%	0.13%	0.66%	1.22%	1.87%	2.78%	3.54%

Question 9

	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>Claims above \$250k Pooling Point</b>	\$119,547	\$427,944	\$1,280,269	\$1,155,056	\$242,342
<b>Claims below \$250k Pooling Point</b>	\$12,383,099	\$11,565,530	\$13,287,532	\$11,842,972	\$8,665,240
<b>Member Months</b>	18,041	21,996	25,191	23,421	22,405
<b>Claims &gt;\$250k PMPM</b>	\$6.63	\$19.46	\$50.82	\$49.32	\$10.82
<b>Claims &lt;\$250k PMPM</b>	\$686.39	\$525.80	\$527.47	\$505.66	\$386.75
<b>\$250k Pooling Charge</b>	0.97%	3.70%	9.64%	9.75%	2.80%

Month	Member Months	Medical	Pharmacy	A/G	ID	Medical	Rx Unit Cost Fx	Normalized	Normalized	Normalized
		Allowed PMPM	Allowed PMPM	Normaliz ation	Normaliz ed	Unit Cost Fx		Medical Allowed PMPM	Pharmacy Allowed PMPM	Total Allowed PMPM
201901	1794	\$424.62	\$72.18	1.000	1.0000	1	1	\$424.62	\$72.18	\$496.80
201902	1799	\$489.92	\$82.13	1.006	0.9997	1	1	\$487.34	\$81.70	\$569.04
201903	1813	\$444.90	\$71.41	1.004	0.9993	1	1	\$443.51	\$71.19	\$514.70
201904	1795	\$407.06	\$67.95	1.009	0.9992	1	1	\$403.89	\$67.42	\$471.31
201905	1817	\$383.51	\$69.15	1.008	0.9997	1	1	\$380.66	\$68.64	\$449.29
201906	1805	\$381.04	\$58.96	1.013	0.9998	1	1	\$376.20	\$58.21	\$434.41
201907	1951	\$400.11	\$61.55	0.998	0.9979	1	1	\$401.77	\$61.80	\$463.57
201908	1922	\$453.47	\$73.57	1.004	0.9984	1	1	\$452.32	\$73.38	\$525.70
201909	1914	\$598.82	\$72.55	1.004	0.9990	1	1	\$597.14	\$72.34	\$669.48
201910	1925	\$369.93	\$72.79	1.006	0.9988	1	1	\$368.18	\$72.44	\$440.62
201911	1928	\$269.51	\$65.76	1.008	0.9987	1	1	\$267.76	\$65.34	\$333.10
201912	1942	\$421.66	\$94.54	1.004	0.9992	1	1	\$420.52	\$94.29	\$514.80
202001	2069	\$451.00	\$90.84	1.027	0.9876	1.037	1.039	\$428.75	\$86.17	\$514.92
202002	2058	\$402.04	\$108.41	1.031	0.9873	1.037	1.039	\$381.01	\$102.52	\$483.53
202003	2060	\$514.03	\$104.02	1.032	0.9877	1.037	1.039	\$486.63	\$98.27	\$584.90
202004	2003	\$419.48	\$116.23	1.042	0.9884	1.037	1.039	\$392.76	\$108.59	\$501.35
202005	2001	\$499.13	\$115.14	1.042	0.9885	1.037	1.039	\$467.58	\$107.64	\$575.21
202006	1902	\$482.53	\$99.53	1.036	0.9867	1.037	1.039	\$455.31	\$93.72	\$549.03
202007	1889	\$982.30	\$123.46	1.039	0.9876	1.037	1.039	\$923.74	\$115.86	\$1,039.60
202008	1886	\$556.76	\$123.01	1.040	0.9876	1.037	1.039	\$522.86	\$115.27	\$638.13
202009	1878	\$659.14	\$106.14	1.043	0.9876	1.037	1.039	\$617.18	\$99.17	\$716.35
202010	1893	\$574.87	\$122.29	1.043	0.9873	1.037	1.039	\$538.23	\$114.25	\$652.49
202011	1894	\$434.45	\$101.74	1.044	0.9872	1.037	1.039	\$406.61	\$95.01	\$501.63
202012	1888	\$531.34	\$119.54	1.045	0.9874	1.037	1.039	\$496.60	\$111.49	\$608.10
202101	2080	\$511.38	\$91.52	1.054	0.9782	1.088	1.136	\$456.04	\$78.17	\$534.21
202102	2074	\$459.98	\$92.24	1.051	0.9784	1.088	1.136	\$411.25	\$78.99	\$490.24
202103	2075	\$785.68	\$97.02	1.055	0.9785	1.088	1.136	\$699.73	\$82.77	\$782.49
202104	2093	\$592.95	\$121.11	1.055	0.9789	1.088	1.136	\$528.10	\$103.32	\$631.41
202105	2092	\$513.51	\$104.12	1.055	0.9788	1.088	1.136	\$457.04	\$88.76	\$545.80
202106	2099	\$613.60	\$116.41	1.055	0.9786	1.088	1.136	\$546.56	\$99.32	\$645.88
202107	2120	\$544.57	\$113.65	1.048	0.9794	1.088	1.136	\$487.73	\$97.49	\$585.23
202108	2135	\$596.31	\$147.00	1.048	0.9795	1.088	1.136	\$534.27	\$126.15	\$660.41
202109	2105	\$547.04	\$124.10	1.043	0.9793	1.088	1.136	\$492.36	\$106.98	\$599.35
202110	2120	\$535.20	\$117.88	1.042	0.9792	1.088	1.136	\$482.22	\$101.73	\$583.95
202111	2108	\$561.57	\$114.71	1.044	0.9793	1.088	1.136	\$505.09	\$98.82	\$603.91
202112	2090	\$683.94	\$132.05	1.048	0.9798	1.088	1.136	\$612.31	\$113.24	\$725.55
202201	1850	\$601.44	\$134.97	1.045	0.9933	1.148	1.224	\$504.54	\$106.18	\$610.72
202202	1810	\$435.25	\$111.11	1.051	0.9931	1.148	1.224	\$363.32	\$86.99	\$450.31
202203	1823	\$448.42	\$124.04	1.054	0.9934	1.148	1.224	\$372.86	\$96.73	\$469.59
202204	1827	\$445.00	\$112.31	1.053	0.9935	1.148	1.224	\$370.47	\$87.68	\$458.15
202205	1810	\$543.06	\$110.90	1.055	0.9930	1.148	1.224	\$451.46	\$86.46	\$537.92
202206	1810	\$576.99	\$123.88	1.063	0.9928	1.148	1.224	\$476.13	\$95.87	\$572.01
202207	1831	\$460.90	\$116.08	1.064	0.9928	1.148	1.224	\$380.15	\$89.79	\$469.94
202208	1844	\$516.80	\$142.57	1.063	0.9935	1.148	1.224	\$426.33	\$110.30	\$536.63
202209	1838	\$646.16	\$105.47	1.066	0.9933	1.148	1.224	\$531.40	\$81.34	\$612.74
202210	1842	\$603.14	\$123.49	1.064	0.9931	1.148	1.224	\$497.18	\$95.47	\$592.64
202211	1865	\$517.60	\$120.31	1.064	0.9932	1.148	1.224	\$426.63	\$93.00	\$519.63
202212	1846	\$525.53	\$143.65	1.066	0.9933	1.148	1.224	\$432.45	\$110.86	\$543.31
202301	1678	\$632.28	\$129.27	1.069	0.9982	1.264	1.320	\$468.56	\$91.76	\$560.33
202302	1688	\$587.08	\$115.17	1.067	0.9986	1.264	1.320	\$435.86	\$81.90	\$517.75
202303	1682	\$739.49	\$112.51	1.068	0.9990	1.264	1.320	\$548.32	\$79.91	\$628.22
202304	1664	\$648.00	\$127.08	1.068	0.9987	1.264	1.320	\$480.37	\$90.24	\$570.60
202305	1642	\$503.56	\$110.74	1.073	0.9988	1.264	1.320	\$371.65	\$78.29	\$449.94
202306	1629	\$596.25	\$156.63	1.075	0.9988	1.264	1.320	\$439.25	\$110.52	\$549.77
202307	1344	\$891.37	\$161.81	1.086	1.0038	1.264	1.320	\$646.81	\$112.47	\$759.28
202308	1339	\$721.72	\$125.96	1.087	1.0029	1.264	1.320	\$523.52	\$87.52	\$611.04
202309	1329	\$708.41	\$127.43	1.097	1.0033	1.264	1.320	\$508.91	\$87.68	\$596.59
202310	1337	\$694.50	\$159.09	1.100	1.0037	1.264	1.320	\$497.77	\$109.22	\$606.99
202311	1368	\$634.57	\$148.64	1.099	1.0039	1.264	1.320	\$455.14	\$102.12	\$557.26
202312	1341	\$805.89	\$146.58	1.094	1.0040	1.264	1.320	\$580.50	\$101.14	\$681.64
202401	1574	\$683.32	\$132.01	1.057	0.9940	1.315	1.343	\$494.43	\$93.52	\$587.95
202402	1588	\$536.77	\$144.57	1.060	0.9943	1.315	1.343	\$387.24	\$102.11	\$489.35
202403	1581	\$515.88	\$183.16	1.059	0.9941	1.315	1.343	\$372.68	\$129.54	\$502.22
202404	1589	\$258.12	\$152.74	1.058	0.9946	1.315	1.343	\$186.53	\$108.07	\$294.60
2019	22405	\$420.17	\$71.93					\$418.48	\$71.63	\$490.11
2020	23421	\$539.43	\$110.68					\$507.18	\$103.84	\$611.02
2021	25191	\$578.71	\$114.42					\$517.64	\$98.07	\$615.71
2022	21996	\$526.88	\$122.45					\$436.22	\$95.09	\$531.32
2023	18041	\$673.77	\$133.98					\$492.36	\$93.76	\$586.12
2024	6332	\$498.06	\$153.13					\$359.88	\$108.32	\$468.20





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September 13, 2024

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

Re: 2025 Large Group HMO Rate Filing  
SERFF Tracking #: MVPH-134197798

Dear Ms. Hughes:

This letter is in response to your correspondence received 09/06/24 regarding the above-mentioned rate filing. The responses to your questions are provided below.

*1. Regarding the response to prior objection #2 –*

- a. We acknowledge that MVP instituted a new administrative process, creating a lag time between receiving a claim and it being paid. Does MVP expect this lag to diminish over time, or is this a permanent feature of the new process?*
- b. Now that there are one to three additional months (May-July) of claims runout are available, how does the most recent estimate of incurred claims compare to the estimate files (\$188.3M from May 2023-Apr 2024)?*

Response:

- a. This claim payment lag is expected to be permanent due to the new process.
- b. Our most recent estimate of incurred claims (through July) is very close to what was used to develop our IBNR factor. Including the modification for high-cost claims that are only attributable to small group, our incurred claim estimate has increased from \$187.6M to \$188.1M for May 2023-Apr 2024. Please see the tab "Question #1" in the attached Excel document for further support.

*2. Please demonstrate the development of the additional \$0.27 PMPM for COVID-19 vaccines, e.g., provide the actual 2023 PMPM, utilization, etc.*

Response: We found an error upon review and would like to correct this adjustment to \$0.10 PMPM. MVP will be responsible for the full administration cost and ingredient cost of COVID-19 vaccines in the projection period. The \$0.10 PMPM represents the **difference** between the projected cost and the experience cost. Please see the tab "Question #2" in the attached Excel document for further support.



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*3. Please provide the New York experience used in developing the \$0.33 PMPM for hearing aid coverage. If any adjustments are made to the experience, please justify such adjustments.*

Response: Hearing aids were added as an essential health benefit in 2024. MVP analyzed historical experience in its New York population and used a three-year average to calculate the additional \$0.33 PMPM. We acknowledge that the mandate was in effect for four months of the experience period, however, we did not make an adjustment for this. We believe the first few months of the benefit were under-utilized because it was new to members and does not reflect the true ultimate claim cost. Please see the tab "Question #3" in the attached Excel document for further support.

*4. Please provide the Vermont experience used in developing the \$0.03 PMPM for abortions. If any adjustments are made to the experience, please justify such adjustments.*

Response: Vermont has mandated coverage of abortions without cost sharing except before the deductible on HDHPs. MVP analyzed its historical experience for all of VT and used a three-year average to calculate the additional \$0.03 PMPM. We acknowledge that the mandate was in effect for four months of the experience period, but an adjustment was not necessary as the dollars were negligible. Please see the tab "Question #4" in the attached Excel document for further support.

*5. Please provide further support for the \$6.80 PMPM for the well-being reimbursement program. What are the YTD well-being claims PMPM?*

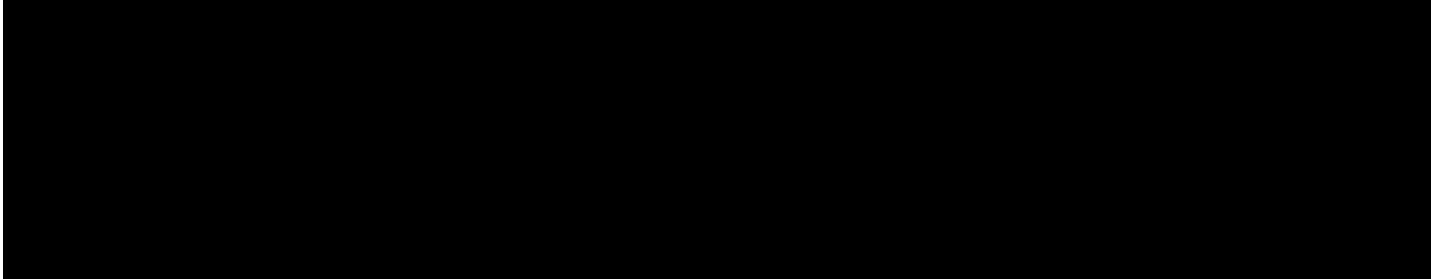
Response: Vermont large group members incurred \$88,654, or \$5.02 PMPM, of wellness dollars in the experience period. We are trending this by 20% annually to the projection period based on historical utilization increases. Not only are we seeing more utilizers, but those who utilize the benefit are sticky. The table below shows how the claims for this benefit has increased over the past few years for all our VT members, with a particularly large increase from 2022 to 2023. Although we have included 2024 data through August, there is significant paid seasonality on well-being claims, where most of the dollars are incurred in December as members seek to use their benefit before the year ends.

VT Commercial Well-Being Data by Incurred Year			
Incurred Year	Total Well-Being Expense	Expense PMPM	YoY Increase
2020	\$61,920	\$0.14	
2021	\$83,166	\$0.18	29%
2022	\$99,924	\$0.23	28%
2023	\$563,547	\$1.65	617%
2024	\$221,130	\$1.01	-39%



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6. Please provide further support for the \$4.04 PMPM for claims settlements to providers. Are these settlement amounts paid historically that are expected to re-occur going forward?



The settlement is not expected to re-occur going forward but the services will continue.

7. Please provide further support for the increase in pooling charges on page 2 of the VT Experience Rated Addendum.

Response: Because MVP has limited large group data in Vermont, the pooling charges in the addendum align with MVP's large group business in New York, consistent with prior filings. We are using 100% credibility on our 2023 data for upstate NY (excludes mid-Hudson and NYC). There are many drivers of the pooling charge increase, particularly increased drug spending in the provider setting (utilization of expensive chemotherapy drugs has increased across all of our markets over the past couple of years).

8. Please complete the following tables, displaying all values as a percentage of premium.

Response: Please see the tab "Question #8" in the attached Excel document.

If you have any questions or require any additional information, please contact me at [ebachner@mvphealthcare.com](mailto:ebachner@mvphealthcare.com).

Sincerely,

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

Eric Bachner, ASA  
Director, Commercial Market & Valuation Actuary  
MVP Health Care, Inc.

## Question #1

<b>Incurred Month</b>	<b>Paid Claims</b>	<b>Incurred Claims Through June</b>	<b>Incurred Claims Through July</b>	<b>Difference</b>	<b>IBNR Factor Through June</b>	<b>IBNR Factor Through July</b>
Apr-24	\$3,757,332	\$16,256,563	\$16,210,736	(\$45,827)	4.327	4.314
Mar-24	\$12,442,256	\$14,891,650	\$15,132,187	\$240,537	1.197	1.216
Feb-24	\$12,719,511	\$13,782,816	\$13,644,670	(\$138,146)	1.084	1.073
Jan-24	\$13,556,739	\$14,189,659	\$14,198,828	\$9,169	1.047	1.047
Dec-23	\$16,486,008	\$17,104,361	\$17,125,990	\$21,629	1.038	1.039
Nov-23	\$17,088,451	\$17,328,969	\$17,298,611	(\$30,358)	1.014	1.012
Oct-23	\$16,232,190	\$16,354,159	\$16,338,506	(\$15,653)	1.008	1.007
Sep-23	\$16,400,405	\$16,455,524	\$16,458,176	\$2,652	1.003	1.004
Aug-23	\$15,735,095	\$15,762,758	\$15,788,335	\$25,576	1.002	1.003
Jul-23	\$14,269,470	\$14,305,666	\$14,299,631	(\$6,035)	1.003	1.002
Jun-23	\$15,318,147	\$15,324,834	\$15,800,903	\$476,069	1.000	1.032
May-23	\$15,772,163	\$15,795,324	\$15,791,604	(\$3,720)	1.001	1.001
Total	\$169,777,767	\$187,552,284	\$188,088,178	\$535,894	1.105	1.108

Question #2

Calculation of Adjustment to Make to Experience Period Data due to Covid Vaccine Cost Increase		
Exp Pd Membership	17,661	a
Exp Pd Total Covid Vaccine Cost	\$15,230	b
Exp Pd # of Vaccines Administered	121	c
Exp Pd Actual Cost PMPM of Covid Vaccines	\$0.86	=b/a
Assumed 2025 Cost per Vaccine	\$140.00	d
2025 PMPM with \$140 vaccine cost	\$0.96	=(d*c)/a
Additional Cost over EP	<b>\$0.10</b>	=\$((d*c)/a)-(b/a)

Question #3

<b>Adjustments to Make to Experience Period Data due to Hearing Aids as EHB</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>3 Year Total</b>
<b>Claim Expense</b>	\$308,635	\$290,142	\$190,158	\$788,935
<b>Member Months</b>	886256	780934	720211	2387401
<b>Claim Expense PMPM</b>	\$0.35	\$0.37	\$0.26	<b>\$0.33</b>

Question #4

<b>Adjustments to Make to Experience Period Data due to Abortions Covered in Full</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>3 Year Total</b>
<b>Allowed-COB</b>	\$54,574	\$48,549	\$35,399	\$138,521
<b>Claim Expense</b>	\$40,838	\$37,017	\$27,243	\$105,098
<b>Cost Sharing</b>	\$13,736	\$11,532	\$8,155	\$33,423
<b>Member Months</b>	466000	436380	340955	1243335
<b>Cost Share PMPM</b>	\$0.03	\$0.03	\$0.02	<b>\$0.03</b>

Question #8

<b>Retention</b>	<b>Approved 2024</b>	<b>Proposed 2025</b>
Administrative Expenses	7.8%	7.8%
Other Expenses	0.0%	0.0%
CTR (Risk Margin)	1.5%	2.0%
Total Retention	9.3%	9.8%

<b>Other Expenses</b>	<b>Approved 2024</b>	<b>Proposed 2025</b>
Broker Load	2.4%	2.1%
VT Vaccine Pilot	0.62%	0.49%
Bad Debt	0.25%	0.25%
Comparative Effectiveness Research Fee	0.04%	0.03%
18 VSA 9374(h) Billback	0.35%	0.33%
Total Other Expenses	3.7%	3.2%