



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

June 19, 2023

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

Re: 2024 Vermont Exchange Rate Filing – Small Group
SERFF Tracking #: MvPH-133660956

Dear Ms. Hughes:

This letter is in response to your correspondence received 06/13/23 regarding the above-mentioned rate filing. The responses to your questions are provided below.

1. Regarding the response to question #2 in objection letter 3: If the changes to Exhibit 2a decrease the rate change to 12.28% within the pricing file, but there are no changes to the URRT, the URRT will still indicate the rate changes of 12.50% and the two will not match. As a result of the initial changes, anything else within the pricing file or URRT be affected, such as leveraging or the paid-to-allowed ratio in the pricing file or the AV/CS in Wksh 2 of the URRT? The two files will need to show the same rate change. Please reconcile.

Response: When MVP stated no changes to the URRT it was meant in context of the trends. An adjustment is needed on worksheet 2 in the AV and Cost Sharing Design on Plan line as a result of a change in the expected paid to allowed ratio. This change will result in the two files matching.

2. MVP assumes that the cost of the COVID-19 vaccine in 2024 will be \$130, which is the high end of the \$110 to \$130 range from the KFF publication referenced in the actuarial memorandum. Please further explain the choice to assume a \$130 cost per vaccine, instead of, for example, the midpoint of \$120.

Response: MVP understood the KFF publication to suggest that the ingredient cost would be \$110-\$130 and the administration cost to be between \$25-\$40. MVP is assuming that the total cost of the vaccine in 2024 would be \$130, which is why we have increased the cost of vaccines by \$130/\$40 and not \$170/\$40. We are not speculating the ingredient separate from the administration but believe that in total the vaccine will cost \$130 in 2024. If the administration was assumed to be constant at \$40 then the implied ingredient cost would be \$90 which is below the range provided by KFF.



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

3. Please provide the number of COVID-19 treatments and visits, separately, for each month from January 2021 through May 2023 (or the most recent month available).

Response: Please see the table below for the number of COVID-19 treatments and visits. We have provided January 2021-February 2023 as of February 2023. This data is consistent with the data used to derive assumptions for the rate filing. Please note that there was no attempt to complete the number of claimants for the months without full runout. This should be taken into account when analyzing the results.

Incurred Month	Count of Claims	
	Covid Visits	Covid Treatment
1/31/2021	972	157
2/28/2021	551	87
3/31/2021	599	64
4/30/2021	469	90
5/31/2021	304	15
6/30/2021	391	8
7/31/2021	338	13
8/31/2021	605	79
9/30/2021	589	114
10/31/2021	472	108
11/30/2021	566	218
12/31/2021	654	298
1/31/2022	585	373
2/28/2022	229	110
3/31/2022	247	85
4/30/2022	258	208
5/31/2022	210	215
6/30/2022	195	107
7/31/2022	190	95
8/31/2022	142	115
9/30/2022	177	79
10/31/2022	182	89
11/30/2022	213	67
12/31/2022	208	60
1/31/2023	81	68
2/28/2023	43	35



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

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

Sincerely,

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

Christopher Pontiff, FSA, MAAA
Senior Director, Commercial Pricing, Network & Trend Actuary
MVP Health Care, Inc.