

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 3Q/4Q 2018
Project Name/Number: /

Filing at a Glance

Company: MVP Health Plan, Inc.
Product Name: VT LG HMO 3Q/4Q 2018
State: VermontGMCB
TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)
Sub-TOI: HOrg02G.003B Large Group Only - POS
Filing Type: GMCB Rate
Date Submitted: 03/23/2018
SERFF Tr Num: MVPH-131435335
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num:

Implementation 07/01/2018
Date Requested:
Author(s): Matt Lombardo, Eric Bachner
Reviewer(s): Agatha Kessler (primary), David Dillon, Judith Henkin, Jacqueline Lee, Sebastian Arduengo, Beverly Smith

Disposition Date:
Disposition Status:
Implementation Date:

State Filing Description:

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 3Q/4Q 2018
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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: 3.8% |
| Filing Status Changed: 03/26/2018 | |
| State Status Changed: | Deemer Date: |
| Created By: Eric Bachner | Submitted By: Eric Bachner |
| 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 7/1/2018 - 12/31/2018.

Company and Contact

Filing Contact Information

| | |
|-----------------------|-----------------------------|
| Matt Lombardo, | mlombardo@mvphealthcare.com |
| 625 State Street | 518-388-2483 [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: |

Filing Fees

| | |
|------------------|----------|
| Fee Required? | Yes |
| Fee Amount: | \$150.00 |
| Retaliatory? | No |
| Fee Explanation: | |

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018

Project Name/Number:

/

Correspondence Summary

Amendments

| Schedule | Schedule Item Name | Created By | Created On | Date Submitted |
|---------------------|----------------------|--------------|------------|----------------|
| Supporting Document | Actuarial Memorandum | Eric Bachner | 03/29/2018 | 03/29/2018 |

Filing Notes

| Subject | Note Type | Created By | Created On | Date Submitted |
|--------------------------|---------------|--------------------|------------|----------------|
| Original RRS and RRD Tab | Reviewer Note | Sebastian Arduengo | 03/28/2018 | |

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018

Project Name/Number: /

Amendment Letter

Submitted Date: 03/29/2018

Comments:

MVP has submitted an amendment to its rate filing dated 3/29/2018. Details on the changes to the filing have been provided in a separate document that has been attached. If you have any questions, feel free to contact me at ebachner@mvphealthcare.com or (518)386-7213.

Changed Items:

No Form Schedule Items Changed.

No Rate Schedule Items Changed.

SERFF Tracking #:

MVPH-131435335

State Tracking #:

Company Tracking #:

State: VermontGMCB **Filing Company:** MVP Health Plan, Inc.
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Product Name: VT LG HMO 3Q/4Q 2018
Project Name/Number: /

Supporting Document Schedule Item Changes

| | |
|--------------------------|--|
| Satisfied - Item: | Actuarial Memorandum |
| Comments: | |
| Attachment(s): | 3Q 2018 ACT MEMO HMO Large Group.pdf 3Q 2018 Experience Rating Formula Filing Exhibits A&B - Vermont.pdf Appendices A- C - 3Q 2018 SERFF.xlsx Appendices A- C - 3Q 2018.pdf Certification of Compliance - VT.pdf Impact of Membership Growth_Decline on Experience Pd Claims.pdf Impact of Membership Growth_Decline on Experience Pd Claims.xlsx MVP Health Care - Experience Formula effective 7.1.18_VT.pdf Rolling 12 Medical and Rx Data - LG.pdf Rolling 12 Medical and Rx Data - LG.xlsx VT Experience Rated Addendum - 3Q 2018.pdf VT LG HMO Q3 & Q4 2018 Rate Filing v2 SERFF.pdf VT LG HMO Q3 & Q4 2018 Rate Filing v2 SERFF.xlsx MVPH-131435335 Amendment 032918.pdf |
| <i>Previous Version</i> | |
| Satisfied - Item: | <i>Actuarial Memorandum</i> |
| Comments: | |
| Attachment(s): | <i>3Q 2018 ACT MEMO HMO Large Group.pdf</i> <i>3Q 2018 Experience Rating Formula Filing Exhibits A&B - Vermont.pdf</i> <i>Appendices A- C - 3Q 2018 SERFF.xlsx</i> <i>Appendices A- C - 3Q 2018.pdf</i> <i>Certification of Compliance - VT.pdf</i> <i>Impact of Membership Growth_Decline on Experience Pd Claims.pdf</i> <i>Impact of Membership Growth_Decline on Experience Pd Claims.xlsx</i> <i>MVP Health Care - Experience Formula effective 7.1.18_VT.pdf</i> <i>Rolling 12 Medical and Rx Data - LG.pdf</i> <i>Rolling 12 Medical and Rx Data - LG.xlsx</i> <i>VT LG HMO Q3 & Q4 2018 Rate Filing SERFF.pdf</i> <i>VT LG HMO Q3 & Q4 2018 Rate Filing SERFF.xlsx</i> <i>VT Experience Rated Addendum - 3Q 2018.pdf</i> |

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- POS
Product Name: VT LG HMO 3Q/4Q 2018
Project Name/Number: /

Reviewer Note

Created By:

Sebastian Arduengo on 03/28/2018 10:02 AM

Subject:

Original RRS and RRD Tab

Comments:

Attached.

Original RRS Tab:

This Rate filing is not eligible for reporting to HHS.

[View/Edit Rate Justification](#)

| | |
|---|----------------|
| Filing Method: | SERFF |
| Rate Change Type: | Increase |
| Overall Percentage of Last Rate Revision: | 5.400 % |
| Effective Date of Last Rate Revision: | 07/01/2017 |
| Filing Method of Last Filing: | SERFF |
| SERFF Tracking Number of Last Filing: | MVPH-130913726 |

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 required): | Minimum % Change (where required): |
|---|------------------------|-----------------------------|------------------------|--|---|-----------------------------------|------------------------------------|------------------------------------|
| MVP Health Plan, Inc. | Increase | 3.800 % | 3.800 % | \$448,885.00 | 16 | \$12,354,017.00 | 3.800 % | 2.600 % |
| View Rate Review Detail | | | | | | | | |

| Item No. | Schedule Item Status | Document Name: * | Affected Form Numbers: (Separate with commas) | Rate Action: * | Rate Action Information: | Attach Document: | Submitted: |
|----------|----------------------|------------------|---|----------------|--------------------------|------------------|------------|
| | | | | | | | |

Icon Legend: - Draft Schedule Item - Open Objection - Complete Rate Review Detail - Incomplete Rate Review Detail

Original RRD Tab:

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 HD HMO | | | 1202 |
| Preferred Suite HMO | | | 1054 |

Trend Factors:

FORMS: *

New Policy Forms:

Affected Forms for Closed Blocks:

Other Affected Forms: VT HMO COC

REQUESTED RATE CHANGE INFORMATION:

Change Period: * Annual

Member Months: * 26184

Benefit Change: * Increase

Percent Rate Change Requested: Min: 2.6% Max: 3.8% Weighted Avg.: 3.8%

PRIOR RATE:

Total Earned Premium: * 11905132

Total Incurred Claims: * 9786019

Annualized PMPM \$: Min: * \$ 315.82 Max: * \$ 577.85 Weighted Avg.: * \$ 436.09

REQUESTED RATE:

Projected Earned Premium: * 12354017

Projected Incurred Claims: * 10476206

Annualized PMPM \$: Min: * \$ 318.83 Max: * \$ 606.62 Weighted Avg.: * \$ 452.53

Close

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018
Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 5.400%
Effective Date of Last Rate Revision: 07/01/2017
Filing Method of Last Filing: SERFF
SERFF Tracking Number of Last Filing: MVPH-130913726

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 | 3.800% | 3.800% | \$448,885 | 16 | \$12,354,017 | 3.800% | 2.600% |

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 3Q/4Q 2018
 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 HD HMO | | | 1202 |
| Preferred Suite HMO | | | 1054 |

Trend Factors:

FORMS:

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

REQUESTED RATE CHANGE INFORMATION:

Change Period: Annual
 Member Months: 26,184
 Benefit Change: Increase
 Percent Change Requested: Min: 2.6 Max: 3.8 Avg: 3.8

PRIOR RATE:

Total Earned Premium: 11,905,132.00
 Total Incurred Claims: 9,786,019.00
 Annual \$: Min: 315.82 Max: 577.85 Avg: 436.09

REQUESTED RATE:

Projected Earned Premium: 12,354,017.00
 Projected Incurred Claims: 10,476,206.00
 Annual \$: Min: 318.83 Max: 606.62 Avg: 452.53

State: VermontGMCB
TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS
Product Name: VT LG HMO 3Q/4Q 2018
Project Name/Number: /

Filing Company:

MVP Health Plan, Inc.

Supporting Document Schedules

| | |
|--------------------------|--|
| Satisfied - Item: | Actuarial Memorandum |
| Comments: | |
| Attachment(s): | 3Q 2018 ACT MEMO HMO Large Group.pdf 3Q 2018 Experience Rating Formula Filing Exhibits A&B - Vermont.pdf Appendices A- C - 3Q 2018 SERFF.xlsx Appendices A- C - 3Q 2018.pdf Certification of Compliance - VT.pdf Impact of Membership Growth_Decline on Experience Pd Claims.pdf Impact of Membership Growth_Decline on Experience Pd Claims.xlsx MVP Health Care - Experience Formula effective 7.1.18_VT.pdf Rolling 12 Medical and Rx Data - LG.pdf Rolling 12 Medical and Rx Data - LG.xlsx VT Experience Rated Addendum - 3Q 2018.pdf VT LG HMO Q3 & Q4 2018 Rate Filing v2 SERFF.pdf VT LG HMO Q3 & Q4 2018 Rate Filing v2 SERFF.xlsx MVPH-131435335 Amendment 032918.pdf |
| Item Status: | |
| Status Date: | |
| Bypassed - Item: | Actuarial Memorandum and Certifications |
| Bypass Reason: | N/A |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Satisfied - Item: | Civil Union Rating Requirements |
| Comments: | MVP's forms comply with 8 V.S.A. § 4724. |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Bypassed - Item: | Consumer Disclosure Form |
| Bypass Reason: | N/A |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |
| Satisfied - Item: | Filing Compliance Certification |

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018
Project Name/Number: /

| | |
|-----------------------|--------------------------------------|
| Comments: | |
| Attachment(s): | Certification of Compliance - VT.pdf |
| Item Status: | |
| Status Date: | |

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

| | |
|-------------------------|------------------------------|
| Bypassed - Item: | Unified Rate Review Template |
| Bypass Reason: | N/A |
| Attachment(s): | |
| Item Status: | |
| Status Date: | |

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018

Project Name/Number:

/

Attachment Appendices A- C - 3Q 2018 SERFF.xlsx is not a PDF document and cannot be reproduced here.

Attachment Impact of Membership Growth_Dcline on Experience Pd Claims.xlsx is not a PDF document and cannot be reproduced here.

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

Attachment VT LG HMO Q3 & Q4 2018 Rate Filing v2 SERFF.xlsx is not a PDF document and cannot be reproduced here.



ACTUARIAL MEMORANDUM

3Q/4Q 2018 Large Group AR44 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 7/1/2018 and 12/31/2018. 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.

Note that MVP has migrated its entire product portfolio sold on the MVP Health Insurance Company (MVPHIC) license to MVPHP and retired the entire portfolio previously sold on MVPHIC. Where applicable, both the old MVPHIC product name and the new MVPHP product name have been displayed in the rate filing, and increases are comparing the new MVPHP product to the previous MVPHIC product.

Scope of Filing

As of January 2018, there are 2,275 members enrolled in Large Group plans on MVPHIC. Of these members, 155 (1 group) has a 3rd quarter renewal.

The overall projected annual revenue change for 3Q 2018 is +3.8% and is driven by three factors which are described below.

- Manual Rate Change: MVP is proposing a quarterly manual rate increase of 8.3% which translates to an annual increase of 8.3%.
- Age/Gender Table Normalization: The average age/gender factor of the population in this experience period compared to the prior filing is 1.010. When combined with the normalization from the prior filing, the annual change to the age/gender factor results in a revenue decrease of -1.1%. MVP is dividing all of the current age/gender factors by this amount (1.010) which is actuarially equivalent to normalizing the claim projection by the same factor. The normalized age/gender table is included in Appendix B of the file, "Appendices A-C – 3Q 2018.xlsx".
- Change in Target Loss Ratio: MVP is increasing its target loss ratio from 82.2% in the 3Q 2017 filing to 84.8% for this rate filing which is decreasing the overall revenue change by 3.1%. The drivers of this reduction are renewing the groups onto MVPHP from MVPHIC, which removes the VT premium tax assessment and reduces the ACA tax liability, as well as the postponement of the ACA tax for 2019 coverage dates.

Please see the following table for a derivation of the overall revenue change for 3Q and 4Q 2018.

| Derivation of Annual Revenue Change Based on Quarterly Rate Changes | | | | | | | |
|---|---|--------------------|--------------------|--------------------|--------------------|------------------------------|------------------------------|
| | 4Q '17 / 3Q '17 | 1Q '18 / 4Q '17 | 2Q '18 / 1Q '18 | 3Q '18 / 2Q '18 | 4Q '18 / 3Q '18 | 3Q '18 Annual Increase | 4Q '18 Annual Increase |
| Manual Rate Changes | 1.8% | -3.1% | 1.4% | 8.3% | 1.2% | 8.3% | 7.7% |
| | Average Manual Rate Change for LG HIC Block | | | | | 8.3% | 7.7% |
| | Age Gender Table Normalization | | | | | -1.1% | -1.1% |
| | Impact of Changes in Target Loss Ratio | | | | | -3.1% | -3.4% |
| | Proposed Annual Revenue Change | | | | | 3.8% | 2.8% |

Experience Period Claims

Large group MVPHIC claims incurred between November 2016 and October 2017, paid through January 2018 (with incurred estimates updated through February 2018) were the basis of MVP's rate analysis. Fee-for-service (FFS) medical and pharmacy claims were projected to the 3Q 2018 rating period by applying 20 months of trend to the experience period data. The capitation and non-FFS costs included in the rate development represent MVP's best estimate of these costs during the rating period.

Pooling Charge

To account for volatility in high cost claims, claims in excess of \$100,000 are being removed from the claim projection and replaced by a pooling charge. The pooling charge of 9.16% is equal to the \$100,000 pooling charge included in MVP's LG Addendum which is included with this SERFF submission. 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 has used claim data with three months of paid claim runout. We have completed the claims using an IBNR factor of 6.4% which is our best estimate of ultimate liabilities as of 2/28/18. MVP uses a combined trended PMPM and completion factor method to value its ultimate claim liabilities. Please see the following table comparing incurred and paid claim amounts by month for the experience period. 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.

| Incurred Month | Paid Claims | Incurred Claims | IBNR Factor |
|-----------------------|---------------------|------------------------|--------------------|
| 201710 | \$1,273,834 | \$1,608,127 | 1.262 |
| 201709 | \$1,027,128 | \$1,516,923 | 1.477 |
| 201708 | \$1,303,326 | \$1,429,264 | 1.097 |
| 201707 | \$1,057,664 | \$1,061,116 | 1.003 |
| 201706 | \$1,322,623 | \$1,325,363 | 1.002 |
| 201705 | \$1,434,177 | \$1,435,859 | 1.001 |
| 201704 | \$1,105,092 | \$1,106,277 | 1.001 |
| 201703 | \$1,481,008 | \$1,481,932 | 1.001 |
| 201702 | \$853,410 | \$853,479 | 1.000 |
| 201701 | \$1,223,229 | \$1,217,037 | 0.995 |
| 201612 | \$1,190,661 | \$1,190,991 | 1.000 |
| 201611 | \$1,677,536 | \$1,678,799 | 1.001 |
| Total | \$14,949,688 | \$15,905,169 | 1.064 |

MVP is applying an IBNR factor of 0.995 to January 2017 incurred claims to reflect that fact that there are claims which were paid on or before January 2018 and were reversed out of the claim triangle in February 2018. MVP is not expected to have to re-pay for this claims, so the incurred estimate is ultimately lower than the paid claims as of January 2018.

The reason for the higher than normal IBNR factor is that MVP has received several large claims between January 31, 2018 and today. These claims total \$112,741 for August 2017, \$461,000 for September 2017 and \$202,267 for October 2017. The IBNR factor including these as paid claims instead of incurred claims is 1.1%. Because these claims are not included as paid in the data in the filing, however, we have excluded them from the paid amounts when calculating the IBNR factor.

Development of Manual Rate Increase

Exhibit 3a demonstrates the development of the proposed 3rd quarter rate action. FFS medical claims completed with IBNR and adjusted for the pooling charge are projected 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 0.25% and is based on historical HCRA fees incurred by Vermont members.

Experience period Rx claims are adjusted for pooling and projected to the rating period. MVP has received 2018 forecasted Rx rebate information from its PBM which is reflected in the projected Rx rebate calculation. Separate rebate per script information has been provided for brand and specialty drugs. These amounts were applied to MVP's projection period brand and specialty script utilization to obtain a PMPM estimate of the rebates in the projection period and equals \$18.98 PMPM for 3Q 2018 renewals and \$19.19 PMPM for 4Q 2018 renewals.

Consistent with the prior filing, MVP is reflecting the new regulation regarding the use of statins for the prevention of cardiovascular disease (CVD) in adults which will go into effect in November 2017. The United States Preventive Service Task Force has given low- and moderate-dose statins a grade of "B" when prescribed to adults aged 40 to 75 with no prior history of CVD but evidence of risk factors. This means that it will become mandatory that carriers cover these drugs in full with no member cost sharing. Because these drugs were previously covered by MVP but with the applicable member cost sharing applied, an adjustment needs to be made to the experience period data to reflect the removal of cost sharing. MVP has estimated the cost sharing during the experience period based on member's age and a lack of a CVD diagnosis, and the result was a \$0.35 PMPM increase to the experience period pharmacy incurred claims. This has been reflected in line 8c of Exhibit 3a in the rate filing.

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.

| Summary of Capitations and Non-FRDM Claim Expenses | |
|---|---------------|
| Other Medical Expense not in warehouse | \$2.27 |
| ASH Cap | \$0.29 |
| Net Reinsurance Expense | \$0.21 |
| Medical Home and PCP Incentive | \$2.48 |
| 18 V.S.A § 9374(h) Billback | \$1.14 |
| Retrospective Rating | \$0.76 |
| Total | \$7.15 |

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 a 3-year average of data for all Vermont group sizes and companies (MVPHP and MVPHIC) in order to minimize random variation in this block of business.

MVP offers a retrospective rating product to its large group customers in VT. For 2016 dates of service, MVP made payments back to groups under this arrangement and is reflecting the associated expense in its manual rate development. Because of this, MVP is proposing to increase the risk charge for retrospective rating in the addendum as well as include the value of these payments in the manual rates. MVP is adding the difference between the actual payments to groups during the experience period (payments were made in 2016 only) and the premium assumed to be collected via the updated risk charge which amounts to \$0.76 PMPM. If MVP did not reflect this additional expense in its manual rates, MVP would not reach its target loss ratio for the block.

Finally, 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.

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 – 3Q 2018.xlsx" which is included with this SERFF submission. MVP is not proposing changes to these factors for 3Q 2018. Because MVP is deriving its proposed rate increase from the 2Q 2018 manual rates which reflects an industry factor equal to 1.00, claim costs must be adjusted to be on a 1.00 basis as well. Over the experience period, the average industry factor was 1.021. To neutralize the impact of this factor on the required rate change, MVP is multiplying the 3Q 2018 claim projection times the reciprocal of this factor.

MVP is also 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 0.998 and can be found in Exhibit 3a. A quantitative derivation of this factor can be found in the file, "Impact of Membership Growth_Dcline on Experience Pd Claims".

To arrive at the data suggested quarterly rate change for 3Q 2018, the normalized net claim projection is compared to the 2Q 2018 manual rate that would be collected for the experience period enrollment to indicate the suggested quarterly manual rate change.

MVP has also developed 4Q 2018 manual rates for this rate filing. Please see Exhibit 3b which is identical to Exhibit 3a except for the fact that one additional quarter of 2019 trend has been applied to the experience period claims. Comparing the 4Q 2018 projected claims to the 3Q 2018 claim projection determines the quarterly manual rate change.

Medical Trend Factors

The development of annual medical paid claim trend factors for 3Q 2018 is illustrated in Exhibit 2a. MVP is reflecting 0.0% 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.

As stated previously, MVP has assumed 0.0% for medical utilization trends in the current filing. MVP analyzed its combined MVPHIC and MVPHP Vermont data for 36 months between 2015 and 2017. In performing this analysis, we were concerned with the large impact that membership growth in other blocks of business (MVPHP small group and individual exchange) was having on the total utilization trend for Vermont. Because removing MVPHP data from the calculation would leave a block that was not considered credible, we elected to reflect no utilization trend.

The assumed unit cost trends reflect known and assumed price increases from MVP's provider network. The 2018 unit cost trends for VT hospitals reflect the budgets proposed by each hospital back to the Green Mountain Care Board. Please see Exhibit 2A for the unit cost trends by claim category by year. MVP has assumed that the 2019 annual trend is equal to the 2018 trend, as we lack information on unit cost trends for 2019 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.

Also included in this filing is a paid trend development exhibit for 4Q 2018. Please see Exhibit 2e which is identical to Exhibit 2a except there is one more quarter of trend reflected in the calculation.

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 3Q 2018 can be found in Exhibit 2b.

MVP has revised its trend forecasts from the previous version of this filing to reflect changes in the underlying utilization patterns as well as updated unit cost increases provided by MVP's PBM. The PBM has provided trends for 2017, 2018 and 2019. 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.

Rx Trends Used in 3Q 2018 MVP VT Large Group Filing

| | 2017 Trend | | 2018 Trend | | 2019 Trend | |
|-----------|------------|-------------|------------|-----------|------------|-------------|
| | Unit Cost | Utilization | Unit Cost | Unit Cost | Unit Cost | Utilization |
| Generic | -8.3% | 0.8% | -0.4% | 2.7% | 4.6% | 3.1% |
| Brand | 9.9% | -4.4% | 14.9% | 2.5% | 12.5% | 1.4% |
| Specialty | 10.9% | 9.6% | 6.9% | 7.5% | 10.6% | 7.4% |

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.

Also included in this filing is a paid trend development exhibit for 4Q 2018. Please see Exhibit 2f which is identical to Exhibit 2b except there is one more quarter of trend reflected in the calculation.

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:

Administrative Expense Summary - Data Taken from Supplemental Health Care Exhibit

| | VT Large Group - AR42 & AR44 | | | Admin Expense Ratio |
|------|------------------------------|--------------|------------|---------------------|
| | Member Months | Premium PMPM | Admin PMPM | |
| 2013 | 118,563 | \$363.04 | \$39.18 | 10.8% |
| 2014 | 97,084 | \$404.11 | \$38.31 | 9.5% |
| 2015 | 68,766 | \$432.06 | \$34.13 | 7.9% |
| 2016 | 37,858 | \$450.19 | \$36.77 | 8.2% |

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

Changes have been made to the following retention items since the 1Q 2017 filing:

- Covered Lives Assessment: The 2018 covered lives assessment has been finalized by New York State. MVP has included the updated amounts in the addendum. This assessment is only applied to subscribers residing in NY which is consistent with the way the fee is charged.

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

ACA Insurer Tax

Since 2014, carriers have been taxed based on earned premium. After being reinstated for 2018, this tax has been again delayed for the 2019 plan year. The tax is based on MVP's share of 2017 nationwide revenue relative to the total tax liability collected by the Federal Government. Using this information, MVP estimates the tax will be 1.0% of premium for 2018 coverage months and 0.0% for 2019 coverage months.

VT Paid Claim Tax

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

Comparative Effectiveness Research Fee

This is a prescribed Federal fee equal to \$0.21 PMPM to fund the Federal Research Fund. This fee is unchanged from the previous version of the filing.

VT Vaccine Pilot

This is a Vermont state assessment based on plan premiums which is used to fund immunizations provided by the state. This assessment has been maintained at 0.5% of premium for this filing based on 2017 assessments from the State of Vermont for the Kids Vax program.

Loss Ratio Information

The traditional target loss ratio (claims cost / premium) for the rates proposed in this rate filing is 84.8%. After making adjustments for taxes/assessments and expenses associated with quality improvements, the Federal target loss ratio for the rates proposed in this filing is 86.6%. Please see the following table for more detail:

| Target Loss Ratio for LG AR42 in 3Q 2018 | |
|--|-------------------------|
| | Large Group AR44 |
| A) Claims Expense | \$403.26 |
| B) Taxes/Assessments | \$4.49 |
| C) Quality Improvement | \$4.61 |
| D) Premium | \$475.51 |
| E) Traditional Loss Ratio = A) / D) | 84.8% |
| F) Federal Loss Ratio = [A) + C]) / [D) - B]) | 86.6% |

For calendar year 2017, the actual loss ratio for this block of business is 95.9%. MVP did not rebate customers for its Large Group AR42 VT block in 2015 or 2016, and does not anticipate having to pay an MLR rebate for the block for the 3 year average of 2015-2017.

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 November 2014 – October 2017 completed through February 2018 are reflected in the data. Note the data represented in these files excludes the 51-100 eligible subscriber block that previously transitioned into the small group market.

Retired Products

As stated previously, MVP has retired all of the medical base plans and riders that were previously filed on the MVPHP license. They have been replaced by new products representing a subset of the base plans and riders filed on the MVPHIC license. On Exhibits 1 and 4a – 4c of the filing, there are columns shown reflecting the base plan/rider as it was represented in 2017, in the first 2 quarters of 2018 and on the new license, where applicable. There is no difference between the in-network benefits, network or other medical management programs between the two licenses, so MVP has calculated a manual rate increase as if the products were being filed on the same block. We then applied that increase to all of the base plans/riders that were mapped from the MVPHIC license.

The following plans are being retired and not being replaced, effective 7/1/18: VE2-021, VE2-085, VE2-090, VE2-096, VE2-102, VE2-105, VE2-106, VE2-111, VE2-119, VEHD2-06, VEHD2-42, and VEHD2-45. In addition, MVP is no longer offering any products with out-of-network coverage in the base plan (VP2 and VPHD2 plans). The medical riders/versions being retired and not replaced include: V2-308, V2-309L (versions a, b, and h), V2-314, V2-315, V2-361, V2-362, V2-363, VHD2-343, VHD2-344, VHD2-345, VHD702, VHD2-510 (versions c, e, f, ab, and ae), and VPHD2-312 (all versions). The pharmacy riders being retired and not replace include: V2-504, V2-601, V2-602, V2-604, and V2-606.

New/Modified Products

MVP is offering two new products effective 7/1/18: VT3HDH52AXL and VT3HDH53EXLE. MVP utilized its proprietary benefit relativity model to value the benefits associated with the new plans compared to VT3HDH15AXL. The manual rates for these new plans have been calculated as: [Net Required Revenue PMPM of comparison plan] / [benefit relativity of comparison plan] * [benefit relativity of new plan]. In addition, MVP is filing two Safe Harbor riders for these new base plans: RXVT3HDH510L-am and RXVT3HDH510L-an. The value of these benefits was determined consistent with the other versions of RXVT3HDH510, by using MVP's benefit relativity model to value the benefits before and after the rider is applied. The difference between those two benefits is then the value of the rider.

Rider VEHD2-312 was previously filed with different versions that attached to each base medical benefit. These versions had different per-contract prices depending on which plan that they attached to. MVP has removed the versions in the current filing and proposed to fix the value of the benefit at 0.5% of the manual rate charged for the base benefit. The previous version method for this rider was administratively complex and not providing enough value to justify the continuation. The previous versions ranged from approximately 0.3% to 0.7% of the base benefit price, so MVP has chosen 0.5% to represent the value of the rider. Therefore, no quarterly or annual increase is displayed for this rider, and the 1 group (118 members, renews in January 2019) active as of January 2018 that purchases this rider may see quarterly or annual increases slightly higher or lower than what is shown on Exhibits 3a and 3b.

Actuarial Certification

I, Eric Bachner, am an Associate of the Society 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.



Eric Bachner, ASA
Senior Actuarial Analyst
MVP Health Care

03/23/2018

Date

MVP Health Care - Large Group Experience Rating Formula

| | | | | | |
|--|--|---------------------------------------|--|------------------------------|--|
| I. Case Information | | Date: | | Input | |
| Group Name: | Input | Effective Date: | | Input | |
| Group #: | Input | | | | |
| Marketing Rep: | Input | | | | |
| Underwriter: | Input | | | | |
| II. Manual Pure Premium Calculation | | Medical w/ Non-Pharmacy Riders | | Pharmacy | |
| 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 | |
| | | | | Total PMPM | |
| III. Experience Pure Premium Calculation | | | | | |
| 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 | |
| Claims Information | | | | | |
| 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 | |
| Experience Adjustments | | | | | |
| 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 | |
| IV. Employer Specific Premium Rates | | Total | | | |
| Blending the Manual Pure Premium and Experience | | | | | |
| 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 | | | | |
| Premium Rate Development | | | | | |
| 12 - Employer Specific Loading Factors | Single EE/SP EE/Ch(ren) Family | | | | |
| 13 - Final Premium Rates | 11 x 12 11 x 12 11 x 12 11 x 12 | | | | |
| V. Minimum Premium Funding | | | | | |
| 1 - Final Premium Rates | Single EE/SP EE/Ch(ren) Family | | | | |
| 2 - Retention Rate | From Section IV., line 13 | | | | |
| 3 - Claims Liability Rate | From Section IV., lines 9 + 10 x Employer Specific Loading Factors | | | | |
| 4 - Claims Fluctuation Margin | 1-2 | | | | |
| 5 - Maximum Monthly Premium Liability | Addendum Value 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 Pure Premium Calculation | | | | |
| Experience Period Start Date | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Experience Period End Date | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Paid Through Date | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Midpoint of Experience Period | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Product Reflected in Experience | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Product in the Rate Quote | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Member Months | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| Claims Information | | | | |
| 1 - Date of Service Paid Claims | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| 2 - Composite Completion Factor Adjustment | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| 3 - Incurred Claims | <i>1x2</i> | <i>1x2</i> | <i>1x2</i> | <i>1x2</i> |
| 4 - Other non fee for service medical expenses | <i>Input</i> | <i>Input</i> | <i>n/a</i> | <i>n/a</i> |
| 5 - Pooling Level (PL) | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 6 - Actual Large Claims (Excess Over PL) | <i>Input</i> | <i>Input</i> | <i>Input</i> | <i>Input</i> |
| 7 - Pharmacy Rebate Factor | <i>n/a</i> | <i>n/a</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 8 - Incurred Claims Less Large Claims | <i>3+4-6</i> | <i>3+4-6</i> | <i>(3 - 6) * 7</i> | <i>(3 - 6) * 7</i> |
| 9 - Trend Factor to MP of Projection Period | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 10 - Regional Trend Adjustment Factor | <i>Addendum Value</i> | <i>n/a</i> | <i>Addendum Value</i> | <i>n/a</i> |
| 11 - Trended Net Claims | <i>8x9x10</i> | <i>8x9x10</i> | <i>8x9x10</i> | <i>8x9x10</i> |
| 12 - Trended pmpm Net Claims | <i>11 / membermonths</i> | <i>11 / membermonths</i> | <i>11 / membermonths</i> | <i>11 / membermonths</i> |
| Experience Adjustments | | | | |
| 13 - Demographic Adjustment (Carrier Replacement Only) | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 14 - Network Adjustment Factor | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 15 - Benefit Adjustment | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| 16 - Pooling Charge % | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>n/a</i> | <i>n/a</i> |
| 17 - Adjusted pmpm Net Claims | <i>product(12 thru 15) x (1+16)</i> | <i>product(12 thru 15) x (1+16)</i> | <i>product(12 thru 15) x (1+16)</i> | <i>product(12 thru 15) x (1+16)</i> |
| Period Weight | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> | <i>Addendum Value</i> |
| Prior Period Adjustment Factor | <i>P1 and P2 Weighted Average line 17 / P1 line 17</i> | | <i>P1 and P2 Weighted Average line 17 / P1 line 17</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 Specialties | 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 Specialties | 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

| SIC Codes and Industry Factors | | |
|--------------------------------|---|--------|
| SIC | SIC Description | SIC Fx |
| 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 |

Appendix A

| 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 |

Appendix A

| 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 |

Appendix A

| 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 |
| 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 |
| 3533 | Oil and Gas Field Machinery and Equipment | 0.95 |

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| SIC Codes and Industry Factors | | |
|---------------------------------------|---|---------------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 3635 | Household Vacuum Cleaners | 0.90 |

Appendix A

| SIC Codes and Industry Factors | | |
|--------------------------------|---|--------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 3842 | Orthopedic, Prosthetic, and Surgical Appliances and Supplies | 0.90 |

Appendix A

| SIC Codes and Industry Factors | | |
|--------------------------------|---|--------|
| SIC | SIC Description | SIC Fx |
| 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 | 0.90 |
| 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 |
| 4499 | Water Transportation Services, NEC | 1.05 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|--|---------------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 5052 | Coal and Other Minerals and Ores | 0.95 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|--|---------------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 5271 | Mobile Home Dealers | 1.10 |

Appendix A

| SIC Codes and Industry Factors | | |
|--------------------------------|---|--------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 5992 | Florists | 0.95 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|---|---------------|
| SIC | SIC Description | SIC Fx |
| 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 | 0.90 |
| 6019 | Central Reserve Depository Institutions, NEC | 0.90 |
| 6021 | National Commercial Banks | 0.90 |
| 6022 | State Commercial Banks | 0.90 |
| 6029 | Commercial Banks, NEC | 0.90 |
| 6035 | Savings Institutions, Federally Chartered | 0.90 |
| 6036 | Savings institutions, Not Federally Chartered | 0.90 |
| 6061 | Credit Unions, Federally Chartered | 0.90 |
| 6062 | Credit Unions, Not Federally Chartered | 0.90 |
| 6081 | Branches and Agencies of Foreign Banks | 0.90 |
| 6082 | Foreign Trade and International Banking Institutions | 0.90 |
| 6091 | Nondeposit Trust Facilities | 0.95 |
| 6099 | Functions Related to Deposit Banking, NEC | 0.90 |
| 6111 | Federal and Federally-Sponsored Credit Agencies | 0.90 |
| 6141 | Personal Credit Institutions | 0.90 |
| 6153 | Short-Term Business Credit Institutions, Except Agricultural | 0.90 |
| 6159 | Miscellaneous Business Credit Institutions | 0.90 |
| 6162 | Mortgage Bankers and Loan Correspondents | 0.90 |
| 6163 | Loan Brokers | 0.90 |
| 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 |
| 6794 | Patent Owners and Lessors | 0.90 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|--|---------------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 7513 | Truck Rental and Leasing, Without Drivers | 1.10 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|--|---------------|
| SIC | SIC Description | SIC Fx |
| 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 |
| 8011 | Offices and Clinics of Doctors of Medicine | 1.15 |
| 8021 | Offices and Clinics of Dentists | 1.15 |
| 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 |
| 8071 | Medical Laboratories | 1.05 |
| 8072 | Dental Laboratories | 1.00 |

Appendix A

| SIC Codes and Industry Factors | | |
|---------------------------------------|---|---------------|
| SIC | SIC Description | SIC Fx |
| 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 | 1.05 |
| 8221 | Colleges, Universities, and Professional Schools | 1.05 |
| 8222 | Junior Colleges and Technical Institutes | 1.05 |
| 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 |
| 8322 | Individual and Family Social Services | 1.00 |
| 8331 | Job Training and Vocational Rehabilitation Services | 1.00 |
| 8351 | Child Day Care Services | 1.00 |
| 8361 | Residential Care | 1.15 |
| 8399 | Social Services, NEC | 1.00 |
| 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 | 1.15 |
| 9121 | Legislative Bodies | 1.15 |
| 9131 | Executive and Legislative Offices, Combined | 1.15 |
| 9199 | General Government, NEC | 1.15 |
| 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 |
| 9311 | Public Finance, Taxation, and Monetary Policy | 1.15 |
| 9411 | Administration of Educational Programs | 1.15 |
| 9431 | Administration of Public Health Programs | 1.15 |

Appendix A

| SIC Codes and Industry Factors | | |
|--------------------------------|---|--------|
| SIC | SIC Description | SIC Fx |
| 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

| Demographic Adjustment Factors | | | | | | | | | |
|--------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Male | | | | | | | | | |
| TIER | 2T | 3T | 4T | 3T | 4T | 4T | 2T | 3T | 4T |
| Age | S | S | S | D | D | PC | F | F | F |
| 0 - 24 | 0.320 | 0.320 | 0.320 | 1.183 | 1.265 | 1.116 | 1.629 | 2.377 | 2.493 |
| 25 - 29 | 0.382 | 0.382 | 0.382 | 1.274 | 1.405 | 1.165 | 1.939 | 2.476 | 2.607 |
| 30 - 34 | 0.467 | 0.467 | 0.467 | 1.336 | 1.541 | 1.229 | 2.212 | 2.537 | 2.672 |
| 35 - 39 | 0.574 | 0.574 | 0.574 | 1.395 | 1.657 | 1.340 | 2.313 | 2.526 | 2.658 |
| 40 - 44 | 0.711 | 0.711 | 0.711 | 1.579 | 1.869 | 1.441 | 2.412 | 2.600 | 2.721 |
| 45 - 49 | 0.907 | 0.907 | 0.907 | 1.953 | 2.200 | 1.624 | 2.640 | 2.876 | 2.992 |
| 50 - 54 | 1.243 | 1.243 | 1.243 | 2.541 | 2.699 | 1.930 | 2.996 | 3.323 | 3.425 |
| 55 - 59 | 1.594 | 1.594 | 1.594 | 3.156 | 3.239 | 2.236 | 3.375 | 3.786 | 3.871 |
| 60 - 64 | 2.094 | 2.094 | 2.094 | 3.933 | 3.976 | 2.730 | 4.000 | 4.343 | 4.402 |
| 65 - 199 | 2.911 | 2.911 | 2.911 | 5.144 | 5.161 | 3.594 | 5.154 | 5.282 | 5.470 |

| Female | | | | | | | | | |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| TIER | 2T | 3T | 4T | 3T | 4T | 4T | 2T | 3T | 4T |
| Age | S | S | S | D | D | PC | F | F | F |
| 0 - 24 | 0.641 | 0.641 | 0.641 | 1.319 | 1.002 | 1.638 | 1.547 | 2.114 | 2.108 |
| 25 - 29 | 0.872 | 0.872 | 0.872 | 1.466 | 1.297 | 1.766 | 1.852 | 2.308 | 2.410 |
| 30 - 34 | 1.012 | 1.012 | 1.012 | 1.596 | 1.536 | 1.864 | 2.153 | 2.452 | 2.587 |
| 35 - 39 | 1.032 | 1.032 | 1.032 | 1.622 | 1.727 | 1.833 | 2.232 | 2.459 | 2.623 |
| 40 - 44 | 1.084 | 1.084 | 1.084 | 1.728 | 2.002 | 1.808 | 2.334 | 2.579 | 2.765 |
| 45 - 49 | 1.243 | 1.243 | 1.243 | 2.114 | 2.456 | 1.926 | 2.624 | 2.940 | 3.146 |
| 50 - 54 | 1.462 | 1.462 | 1.462 | 2.685 | 2.973 | 2.107 | 2.996 | 3.386 | 3.595 |
| 55 - 59 | 1.697 | 1.697 | 1.697 | 3.334 | 3.534 | 2.294 | 3.472 | 3.923 | 4.114 |
| 60 - 64 | 2.026 | 2.026 | 2.026 | 4.123 | 4.253 | 2.598 | 4.152 | 4.486 | 4.724 |
| 65 - 199 | 2.462 | 2.462 | 2.462 | 5.151 | 5.231 | 3.148 | 5.150 | 5.148 | 6.057 |

| Average Contract Size | | | | | | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Male | | | | | | | | | |
| TIER | 2T | 3T | 4T | 3T | 4T | 4T | 2T | 3T | 4T |
| Age | 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 |

| Female | | | | | | | | | |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| TIER | 2T | 3T | 4T | 3T | 4T | 4T | 2T | 3T | 4T |
| Age | 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: 0.75 * 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% |

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: 03/23/2018

Large Group

% of Mbrship 7.4% 7.5% 7.5% 7.6% 7.7% 7.6% 8.8% 8.8% 8.8% 8.9% 9.7% 9.7%

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 | 0.61 | 0.90 | 0.97 | 1.01 | 1.03 | 1.05 | 1.06 | 1.07 | 1.07 | 1.08 | 1.08 | 1.09 |
| \$1,000 | 0.48 | 0.82 | 0.94 | 1.00 | 1.03 | 1.06 | 1.08 | 1.10 | 1.11 | 1.12 | 1.13 | 1.13 |
| \$1,500 | 0.41 | 0.77 | 0.91 | 0.98 | 1.03 | 1.07 | 1.10 | 1.12 | 1.14 | 1.15 | 1.16 | 1.17 |
| \$2,000 | 0.37 | 0.72 | 0.88 | 0.97 | 1.03 | 1.07 | 1.11 | 1.13 | 1.15 | 1.17 | 1.19 | 1.20 |
| \$2,500 | 0.34 | 0.68 | 0.85 | 0.96 | 1.03 | 1.08 | 1.12 | 1.15 | 1.17 | 1.19 | 1.21 | 1.23 |
| \$2,600 | 0.33 | 0.67 | 0.85 | 0.96 | 1.03 | 1.08 | 1.12 | 1.15 | 1.17 | 1.20 | 1.21 | 1.23 |
| \$3,000 | 0.31 | 0.65 | 0.83 | 0.95 | 1.03 | 1.08 | 1.12 | 1.16 | 1.19 | 1.21 | 1.23 | 1.25 |
| \$5,000 | 0.24 | 0.58 | 0.76 | 0.89 | 1.00 | 1.08 | 1.14 | 1.19 | 1.23 | 1.27 | 1.30 | 1.32 |
| \$6,550 | 0.20 | 0.54 | 0.73 | 0.87 | 0.98 | 1.06 | 1.14 | 1.21 | 1.26 | 1.30 | 1.34 | 1.37 |

| Deductible Level | Coverage Month | | | | | | | | | | | |
|------------------|----------------|------|------|------|------|------|------|------|------|------|------|------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| \$0 | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | 0.3% | 1.2% | 1.2% | 1.2% | 1.2% | 2.0% | 2.0% |
| \$500 | 1.1% | 1.1% | 1.1% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.1% | 1.1% |
| \$1,000 | 1.1% | 1.1% | 1.1% | 1.1% | 1.1% | 1.0% | 1.3% | 1.3% | 1.3% | 1.4% | 1.2% | 1.2% |
| \$1,500 | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.3% | 1.2% | 1.2% | 1.1% | 1.2% | 1.2% | 1.2% |
| \$2,000 | 1.1% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.2% | 1.3% | 1.1% | 1.1% |
| \$2,500 | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 1.4% | 2.6% | 2.7% |
| \$2,600 | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.0% | 0.0% |
| \$3,000 | 0.2% | 0.2% | 0.2% | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.1% | 0.1% |
| \$5,000 | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.4% | 0.3% | 0.3% |
| \$6,550 | 0.5% | 0.5% | 0.5% | 0.5% | 0.4% | 0.4% | 0.5% | 0.5% | 0.5% | 0.5% | 0.0% | 0.0% |

Avg Policy Duration Factor 1.002
Inverse of Factor 0.998



MVP Health Care, Inc.
AR44 Experience Rating Formula
HMO Products
For Large Employer Groups
(100+ Employees as defined by regulation)
Effective 07/01/18

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 and B 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. The underwriter will typically use the most recent 12 months of data with 2 months run-off. There may be instances where more or less data is available. It will be reviewed to determine appropriateness and credibility.

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** – In most cases, the underwriter will be looking at the most recent 12 months of a group's experience with 2 months of runoff. However, there may be instances where the underwriter will look at another claim period for the group and combine it with the most recent experience period. An example of this may be if a group had an unusually high number of large claims in the current period, the underwriter could look at the prior period to evaluate the large claim history. In the event the prior period history is very different, the underwriter could dampen the impact of the extraordinary large claims by blending the two periods together.

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.

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: 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.



Eric Bachner, ASA

March 23, 2018
Date

Large Group Historical Medical & Rx Claims Summary - Non-HDHP

| Rolling 12 End Date | Medical + Rx Claim Expense > \$100k PMPM | Medical Claim Expense PMPM | Rx Claim Expense PMPM | Medical Allowed - | | Member Months | Claims > \$100k as % of Claims < \$100k | Rolling 12 Medical Claim Expense Trend | Rolling 12 Rx Claim Expense Trend | Rolling 12 Paid Trend | | | | |
|---------------------|--|----------------------------|-----------------------|-------------------|-----------------|---------------|---|--|-----------------------------------|---------------------------|--|-----------------------------|------------------------------|-----------------------|
| | | | | COB PMPM | Rx Allowed PMPM | | | | | Removing High Cost Claims | Rolling 12 Medical Allowed - COB Trend | Rolling 12 Rx Allowed Trend | Rolling 12 Membership Change | Paid To Allowed Ratio |
| 201510 | \$13.18 | \$285.25 | \$71.14 | \$328.22 | \$79.97 | 17,151 | 3.8% | N/A | N/A | N/A | N/A | N/A | N/A | 87.3% |
| 201511 | \$14.30 | \$283.65 | \$71.15 | \$327.06 | \$79.95 | 16,839 | 4.2% | N/A | N/A | N/A | N/A | N/A | N/A | 87.2% |
| 201512 | \$15.40 | \$280.79 | \$72.52 | \$324.34 | \$81.16 | 16,534 | 4.6% | N/A | N/A | N/A | N/A | N/A | N/A | 87.1% |
| 201601 | \$19.00 | \$278.05 | \$75.18 | \$319.89 | \$83.89 | 16,498 | 5.7% | N/A | N/A | N/A | N/A | N/A | N/A | 87.5% |
| 201602 | \$21.32 | \$277.33 | \$76.72 | \$318.04 | \$85.46 | 16,451 | 6.4% | N/A | N/A | N/A | N/A | N/A | N/A | 87.7% |
| 201603 | \$21.10 | \$278.03 | \$78.22 | \$319.06 | \$86.96 | 16,436 | 6.3% | N/A | N/A | N/A | N/A | N/A | N/A | 87.7% |
| 201604 | \$15.44 | \$290.71 | \$75.77 | \$333.13 | \$84.47 | 16,428 | 4.4% | N/A | N/A | N/A | N/A | N/A | N/A | 87.8% |
| 201605 | \$15.74 | \$301.87 | \$75.06 | \$344.82 | \$84.15 | 16,383 | 4.4% | N/A | N/A | N/A | N/A | N/A | N/A | 87.9% |
| 201606 | \$11.33 | \$308.21 | \$75.75 | \$352.10 | \$85.03 | 16,378 | 3.0% | N/A | N/A | N/A | N/A | N/A | N/A | 87.8% |
| 201607 | \$9.93 | \$312.29 | \$75.80 | \$356.50 | \$85.21 | 15,018 | 2.6% | N/A | N/A | N/A | N/A | N/A | N/A | 87.9% |
| 201608 | \$11.58 | \$326.70 | \$74.89 | \$374.34 | \$84.43 | 16,407 | 3.0% | N/A | N/A | N/A | N/A | N/A | N/A | 87.5% |
| 201609 | \$10.94 | \$322.24 | \$73.26 | \$368.28 | \$82.77 | 16,402 | 2.8% | N/A | N/A | N/A | N/A | N/A | N/A | 87.7% |
| 201610 | \$10.15 | \$319.60 | \$70.82 | \$365.30 | \$80.49 | 16,378 | 2.7% | 12.0% | -0.5% | 10.8% | 11.3% | 0.7% | -4.5% | 87.6% |
| 201611 | \$10.82 | \$322.59 | \$72.79 | \$367.93 | \$82.90 | 16,399 | 2.8% | 13.7% | 2.3% | 12.9% | 12.5% | 3.7% | -2.6% | 87.7% |
| 201612 | \$11.18 | \$331.50 | \$74.09 | \$377.07 | \$84.60 | 16,411 | 2.8% | 18.1% | 2.2% | 16.3% | 16.3% | 4.2% | -0.7% | 87.9% |
| 201701 | \$15.25 | \$347.08 | \$73.66 | \$394.32 | \$84.11 | 16,325 | 3.8% | 24.8% | -2.0% | 21.3% | 23.3% | 0.3% | -1.0% | 87.9% |
| 201702 | \$17.65 | \$350.73 | \$76.85 | \$398.55 | \$87.67 | 16,232 | 4.3% | 26.5% | 0.2% | 23.2% | 25.3% | 2.6% | -1.3% | 87.9% |
| 201703 | \$15.02 | \$357.22 | \$76.19 | \$406.77 | \$87.46 | 16,148 | 3.6% | 28.5% | -2.6% | 24.8% | 27.5% | 0.6% | -1.8% | 87.7% |
| 201704 | \$16.45 | \$350.63 | \$78.05 | \$400.99 | \$89.72 | 16,064 | 4.0% | 20.6% | 3.0% | 17.4% | 20.4% | 6.2% | -2.2% | 87.4% |
| 201705 | \$18.70 | \$353.23 | \$80.07 | \$404.00 | \$91.79 | 15,730 | 4.5% | 17.0% | 6.7% | 14.8% | 17.2% | 9.1% | -4.0% | 87.4% |
| 201706 | \$24.75 | \$359.93 | \$81.24 | \$410.96 | \$93.14 | 15,364 | 5.9% | 16.8% | 7.3% | 11.8% | 16.7% | 9.5% | -6.2% | 87.5% |
| 201707 | \$34.84 | \$365.86 | \$81.04 | \$415.48 | \$93.53 | 14,970 | 8.5% | 17.2% | 6.9% | 9.0% | 16.5% | 9.8% | -0.3% | 87.8% |
| 201708 | \$44.45 | \$364.65 | \$80.36 | \$414.15 | \$92.97 | 14,578 | 11.1% | 11.6% | 7.3% | 2.7% | 10.6% | 10.1% | -11.1% | 87.8% |
| 201709 | \$51.16 | \$388.63 | \$84.32 | \$441.53 | \$97.44 | 14,192 | 12.1% | 20.6% | 15.1% | 9.7% | 19.9% | 17.7% | -13.5% | 87.8% |
| 201710 | \$54.73 | \$415.54 | \$86.03 | \$471.54 | \$99.34 | 13,821 | 12.2% | 30.0% | 21.5% | 17.5% | 29.1% | 23.4% | -15.6% | 87.9% |

Large Group Historical Medical & Rx Claims Summary - HDHP

| Rolling 12 End Date | Medical + Rx Claim Expense > \$100k PMPM | Medical Claim Expense PMPM | Rx Claim Expense PMPM | Medical Allowed - | | Member Months | Claims > \$100k as % of Claims < \$100k | Rolling 12 Medical Claim Expense Trend | Rolling 12 Rx Claim Expense Trend | Rolling 12 Paid Trend | | | | |
|---------------------|--|----------------------------|-----------------------|-------------------|-----------------|---------------|---|--|-----------------------------------|---------------------------|--|-----------------------------|------------------------------|-----------------------|
| | | | | COB PMPM | Rx Allowed PMPM | | | | | Removing High Cost Claims | Rolling 12 Medical Allowed - COB Trend | Rolling 12 Rx Allowed Trend | Rolling 12 Membership Change | Paid To Allowed Ratio |
| 201510 | \$12.01 | \$240.35 | \$36.45 | \$330.89 | \$47.62 | 31,603 | 4.5% | N/A | N/A | N/A | N/A | N/A | N/A | 73.1% |
| 201511 | \$10.89 | \$229.65 | \$36.31 | \$321.35 | \$46.91 | 29,680 | 4.3% | N/A | N/A | N/A | N/A | N/A | N/A | 72.2% |
| 201512 | \$10.68 | \$211.93 | \$34.77 | \$301.32 | \$44.79 | 27,814 | 4.5% | N/A | N/A | N/A | N/A | N/A | N/A | 71.3% |
| 201601 | \$6.22 | \$207.88 | \$35.01 | \$294.24 | \$44.39 | 26,682 | 2.6% | N/A | N/A | N/A | N/A | N/A | N/A | 71.7% |
| 201602 | \$6.74 | \$197.23 | \$34.61 | \$281.08 | \$43.70 | 25,449 | 3.0% | N/A | N/A | N/A | N/A | N/A | N/A | 71.4% |
| 201603 | \$8.25 | \$195.82 | \$34.26 | \$276.98 | \$43.04 | 24,202 | 3.7% | N/A | N/A | N/A | N/A | N/A | N/A | 71.9% |
| 201604 | \$9.80 | \$198.66 | \$34.42 | \$278.22 | \$42.81 | 22,840 | 4.4% | N/A | N/A | N/A | N/A | N/A | N/A | 72.6% |
| 201605 | \$11.51 | \$203.98 | \$34.94 | \$284.11 | \$43.15 | 21,473 | 5.1% | N/A | N/A | N/A | N/A | N/A | N/A | 73.0% |
| 201606 | \$12.75 | \$210.87 | \$34.64 | \$291.62 | \$42.58 | 20,183 | 5.5% | N/A | N/A | N/A | N/A | N/A | N/A | 73.5% |
| 201607 | \$13.68 | \$213.23 | \$31.44 | \$292.76 | \$39.10 | 17,819 | 5.9% | N/A | N/A | N/A | N/A | N/A | N/A | 73.7% |
| 201608 | \$18.56 | \$211.25 | \$28.51 | \$290.32 | \$36.19 | 17,581 | 8.4% | N/A | N/A | N/A | N/A | N/A | N/A | 73.4% |
| 201609 | \$21.72 | \$215.46 | \$28.37 | \$294.17 | \$36.02 | 16,316 | 9.8% | N/A | N/A | N/A | N/A | N/A | N/A | 73.8% |
| 201610 | \$25.42 | \$219.10 | \$26.42 | \$298.01 | \$33.88 | 15,077 | 11.5% | -8.8% | -27.5% | -16.9% | -9.9% | -28.9% | -52.3% | 74.0% |
| 201611 | \$22.21 | \$215.98 | \$26.91 | \$292.68 | \$34.61 | 14,151 | 10.1% | -6.0% | -25.9% | -13.5% | -8.9% | -26.2% | -52.3% | 74.2% |
| 201612 | \$23.35 | \$212.77 | \$24.54 | \$290.85 | \$32.35 | 13,251 | 10.9% | 0.4% | -29.4% | -9.3% | -3.5% | -27.8% | -52.4% | 73.4% |
| 201701 | \$20.24 | \$210.64 | \$25.27 | \$287.19 | \$33.02 | 13,024 | 9.4% | 1.3% | -27.8% | -8.9% | -2.4% | -25.6% | -51.2% | 73.7% |
| 201702 | \$24.25 | \$213.98 | \$25.26 | \$289.76 | \$32.84 | 12,862 | 11.3% | 8.5% | -27.0% | -4.5% | 3.1% | -24.9% | -49.5% | 74.2% |
| 201703 | \$31.73 | \$227.18 | \$24.78 | \$304.18 | \$32.31 | 12,690 | 14.4% | 16.0% | -27.7% | -0.7% | 9.8% | -24.9% | -47.6% | 74.9% |
| 201704 | \$31.81 | \$224.04 | \$24.74 | \$300.28 | \$32.47 | 12,639 | 14.7% | 12.8% | -28.1% | -2.8% | 7.9% | -24.2% | -44.7% | 74.8% |
| 201705 | \$41.44 | \$246.52 | \$24.49 | \$323.28 | \$32.42 | 12,569 | 18.1% | 20.9% | -29.9% | 0.9% | 13.8% | -24.9% | -41.5% | 76.2% |
| 201706 | \$44.24 | \$255.73 | \$24.10 | \$335.18 | \$32.20 | 12,508 | 18.8% | 21.3% | -30.4% | 1.2% | 14.9% | -24.4% | -38.0% | 76.2% |
| 201707 | \$42.45 | \$255.91 | \$23.96 | \$336.17 | \$32.35 | 12,474 | 17.9% | 20.0% | -23.8% | 2.8% | 14.8% | -17.3% | -30.0% | 75.9% |
| 201708 | \$40.01 | \$269.79 | \$23.79 | \$352.41 | \$32.29 | 12,446 | 15.8% | 27.7% | -16.6% | 14.6% | 21.4% | -10.8% | -29.2% | 76.3% |
| 201709 | \$42.15 | \$277.90 | \$23.55 | \$363.47 | \$32.07 | 12,399 | 16.3% | 29.0% | -17.0% | 16.7% | 23.6% | -11.0% | -24.0% | 76.2% |
| 201710 | \$44.75 | \$275.71 | \$24.21 | \$362.40 | \$32.69 | 12,363 | 17.5% | 25.8% | -8.4% | 15.9% | 21.6% | -3.5% | -18.0% | 75.9% |

Large Group Historical Medical & Rx Claims Summary - Total

| Rolling 12 End Date | Medical + Rx Claim Expense | Medical Claim Expense | Rx Claim Expense | Medical Allowed - | | Member Months | Claims > \$100k as % | Rolling 12 Medical Claim | Rolling 12 Rx Claim | Rolling 12 Paid Trend | | Rolling 12 Medical Allowed | Rolling 12 Rx | Rolling 12 | Paid To Allowed |
|---------------------|----------------------------|-----------------------|------------------|-------------------|-----------------|---------------|----------------------|--------------------------|---------------------|---------------------------|-------------|----------------------------|---------------|-------------------|-----------------|
| | > \$100k PMPM | PMPM | PMPM | COB PMPM | Rx Allowed PMPM | | of Claims < \$100k | Expense Trend | Expense Trend | Removing High Cost Claims | - COB Trend | Allowed Trend | Allowed Trend | Membership Change | Ratio |
| 201510 | \$12.42 | \$256.15 | \$48.65 | \$329.95 | \$59.00 | 48,754 | 4.2% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 78.4% |
| 201511 | \$12.12 | \$249.20 | \$48.93 | \$323.41 | \$58.87 | 46,519 | 4.2% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 78.0% |
| 201512 | \$12.44 | \$237.61 | \$48.84 | \$309.91 | \$58.35 | 44,348 | 4.5% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 77.8% |
| 201601 | \$11.10 | \$234.69 | \$50.36 | \$304.04 | \$59.48 | 43,180 | 4.1% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 78.4% |
| 201602 | \$12.46 | \$228.68 | \$51.15 | \$295.59 | \$60.09 | 41,900 | 4.7% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 78.7% |
| 201603 | \$13.45 | \$229.07 | \$52.04 | \$294.00 | \$60.80 | 40,638 | 5.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 79.2% |
| 201604 | \$12.16 | \$237.17 | \$51.72 | \$301.19 | \$60.24 | 39,268 | 4.4% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 79.9% |
| 201605 | \$13.34 | \$246.35 | \$52.30 | \$310.39 | \$60.89 | 37,856 | 4.7% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 80.4% |
| 201606 | \$12.11 | \$254.48 | \$53.06 | \$318.71 | \$61.60 | 36,561 | 4.1% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 80.9% |
| 201607 | \$11.96 | \$258.54 | \$51.73 | \$321.92 | \$60.19 | 32,837 | 4.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 81.2% |
| 201608 | \$15.19 | \$266.98 | \$50.90 | \$330.88 | \$59.48 | 33,988 | 5.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 81.4% |
| 201609 | \$16.32 | \$268.99 | \$50.87 | \$331.32 | \$59.45 | 32,718 | 5.4% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 81.9% |
| 201610 | \$17.47 | \$271.43 | \$49.54 | \$333.04 | \$58.15 | 31,455 | 5.8% | 6.0% | 1.8% | 3.8% | 0.9% | -1.4% | -35.5% | 82.0% | |
| 201611 | \$16.10 | \$273.21 | \$51.54 | \$333.07 | \$60.53 | 30,550 | 5.2% | 9.6% | 5.3% | 7.9% | 3.0% | 2.8% | -34.3% | 82.5% | |
| 201612 | \$16.62 | \$278.46 | \$51.96 | \$338.55 | \$61.26 | 29,662 | 5.3% | 17.2% | 6.4% | 14.5% | 9.2% | 5.0% | -33.1% | 82.6% | |
| 201701 | \$17.47 | \$286.53 | \$52.18 | \$346.78 | \$61.43 | 29,349 | 5.4% | 22.1% | 3.6% | 17.3% | 14.1% | 3.3% | -32.0% | 83.0% | |
| 201702 | \$20.57 | \$290.27 | \$54.04 | \$350.45 | \$63.43 | 29,094 | 6.4% | 26.9% | 5.7% | 21.1% | 18.6% | 5.5% | -30.6% | 83.2% | |
| 201703 | \$22.37 | \$300.00 | \$53.57 | \$361.63 | \$63.19 | 28,838 | 6.8% | 31.0% | 2.9% | 23.7% | 23.0% | 3.9% | -29.0% | 83.2% | |
| 201704 | \$23.21 | \$294.89 | \$54.58 | \$356.64 | \$64.51 | 28,703 | 7.1% | 24.3% | 5.5% | 17.9% | 18.4% | 7.1% | -26.9% | 83.0% | |
| 201705 | \$28.80 | \$305.83 | \$55.39 | \$368.15 | \$65.42 | 28,299 | 8.7% | 24.1% | 5.9% | 16.5% | 18.6% | 7.4% | -25.2% | 83.3% | |
| 201706 | \$33.50 | \$313.17 | \$55.60 | \$376.95 | \$65.79 | 27,872 | 10.0% | 23.1% | 4.8% | 13.5% | 18.3% | 6.8% | -23.8% | 83.3% | |
| 201707 | \$38.30 | \$315.88 | \$55.09 | \$379.43 | \$65.72 | 27,444 | 11.5% | 22.2% | 6.5% | 11.5% | 17.9% | 9.2% | -16.4% | 83.3% | |
| 201708 | \$42.40 | \$320.96 | \$54.30 | \$385.72 | \$65.02 | 27,024 | 12.7% | 20.2% | 6.7% | 10.0% | 16.6% | 9.3% | -20.5% | 83.3% | |
| 201709 | \$46.95 | \$337.00 | \$55.98 | \$405.13 | \$66.96 | 26,591 | 13.6% | 25.3% | 10.0% | 14.0% | 22.3% | 12.6% | -18.7% | 83.2% | |
| 201710 | \$50.00 | \$349.52 | \$56.84 | \$420.01 | \$67.87 | 26,184 | 14.0% | 28.8% | 14.7% | 17.4% | 26.1% | 16.7% | -16.8% | 83.3% | |

Summary of Historical Rx Claims Broken Out by Rx Category - HDHP

| Size | Product Type | Rolling 12 End Date YYYYMM | Rx Category | Allowed | Member Months | Allowed PMPM | Rolling 12 Allowed Trend |
|-------|--------------|-------------------------------|-------------|-----------|------------------|-----------------|-----------------------------|
| Large | HDHP | 201510 | 1 Generic | \$462,256 | 31,603 | \$14.63 | N/A |
| Large | HDHP | 201511 | 1 Generic | \$422,203 | 29,680 | \$14.23 | N/A |
| Large | HDHP | 201512 | 1 Generic | \$368,463 | 27,814 | \$13.25 | N/A |
| Large | HDHP | 201601 | 1 Generic | \$342,208 | 26,682 | \$12.83 | N/A |
| Large | HDHP | 201602 | 1 Generic | \$317,483 | 25,449 | \$12.48 | N/A |
| Large | HDHP | 201603 | 1 Generic | \$291,887 | 24,202 | \$12.06 | N/A |
| Large | HDHP | 201604 | 1 Generic | \$262,426 | 22,840 | \$11.49 | N/A |
| Large | HDHP | 201605 | 1 Generic | \$237,406 | 21,473 | \$11.06 | N/A |
| Large | HDHP | 201606 | 1 Generic | \$211,842 | 20,183 | \$10.50 | N/A |
| Large | HDHP | 201607 | 1 Generic | \$178,587 | 17,819 | \$10.02 | N/A |
| Large | HDHP | 201608 | 1 Generic | \$163,853 | 17,581 | \$9.32 | N/A |
| Large | HDHP | 201609 | 1 Generic | \$134,977 | 16,316 | \$8.27 | N/A |
| Large | HDHP | 201610 | 1 Generic | \$112,820 | 15,077 | \$7.48 | -48.8% |
| Large | HDHP | 201611 | 1 Generic | \$104,641 | 14,151 | \$7.39 | -48.0% |
| Large | HDHP | 201612 | 1 Generic | \$97,499 | 13,251 | \$7.36 | -44.5% |
| Large | HDHP | 201701 | 1 Generic | \$96,906 | 13,024 | \$7.44 | -42.0% |
| Large | HDHP | 201702 | 1 Generic | \$96,283 | 12,862 | \$7.49 | -40.0% |
| Large | HDHP | 201703 | 1 Generic | \$96,186 | 12,690 | \$7.58 | -37.2% |
| Large | HDHP | 201704 | 1 Generic | \$98,022 | 12,639 | \$7.76 | -32.5% |
| Large | HDHP | 201705 | 1 Generic | \$102,612 | 12,569 | \$8.16 | -26.2% |
| Large | HDHP | 201706 | 1 Generic | \$104,196 | 12,508 | \$8.33 | -20.6% |
| Large | HDHP | 201707 | 1 Generic | \$106,724 | 12,474 | \$8.56 | -14.6% |
| Large | HDHP | 201708 | 1 Generic | \$108,935 | 12,446 | \$8.75 | -6.1% |
| Large | HDHP | 201709 | 1 Generic | \$111,507 | 12,399 | \$8.99 | 8.7% |
| Large | HDHP | 201710 | 1 Generic | \$111,355 | 12,363 | \$9.01 | 20.4% |
| Large | HDHP | 201510 | 2 Brand | \$445,547 | 31,603 | \$14.10 | N/A |
| Large | HDHP | 201511 | 2 Brand | \$400,158 | 29,680 | \$13.48 | N/A |
| Large | HDHP | 201512 | 2 Brand | \$334,321 | 27,814 | \$12.02 | N/A |
| Large | HDHP | 201601 | 2 Brand | \$323,370 | 26,682 | \$12.12 | N/A |
| Large | HDHP | 201602 | 2 Brand | \$295,536 | 25,449 | \$11.61 | N/A |
| Large | HDHP | 201603 | 2 Brand | \$277,047 | 24,202 | \$11.45 | N/A |
| Large | HDHP | 201604 | 2 Brand | \$257,124 | 22,840 | \$11.26 | N/A |
| Large | HDHP | 201605 | 2 Brand | \$239,489 | 21,473 | \$11.15 | N/A |
| Large | HDHP | 201606 | 2 Brand | \$219,368 | 20,183 | \$10.87 | N/A |
| Large | HDHP | 201607 | 2 Brand | \$192,132 | 17,819 | \$10.78 | N/A |
| Large | HDHP | 201608 | 2 Brand | \$181,468 | 17,581 | \$10.32 | N/A |
| Large | HDHP | 201609 | 2 Brand | \$164,863 | 16,316 | \$10.10 | N/A |
| Large | HDHP | 201610 | 2 Brand | \$137,525 | 15,077 | \$9.12 | -35.3% |
| Large | HDHP | 201611 | 2 Brand | \$128,072 | 14,151 | \$9.05 | -32.9% |
| Large | HDHP | 201612 | 2 Brand | \$117,462 | 13,251 | \$8.86 | -26.3% |
| Large | HDHP | 201701 | 2 Brand | \$114,344 | 13,024 | \$8.78 | -27.6% |
| Large | HDHP | 201702 | 2 Brand | \$114,636 | 12,862 | \$8.91 | -23.3% |
| Large | HDHP | 201703 | 2 Brand | \$113,207 | 12,690 | \$8.92 | -22.1% |
| Large | HDHP | 201704 | 2 Brand | \$120,786 | 12,639 | \$9.56 | -15.1% |
| Large | HDHP | 201705 | 2 Brand | \$124,985 | 12,569 | \$9.94 | -10.8% |
| Large | HDHP | 201706 | 2 Brand | \$130,100 | 12,508 | \$10.40 | -4.3% |
| Large | HDHP | 201707 | 2 Brand | \$132,296 | 12,474 | \$10.61 | -1.6% |
| Large | HDHP | 201708 | 2 Brand | \$131,802 | 12,446 | \$10.59 | 2.6% |
| Large | HDHP | 201709 | 2 Brand | \$130,307 | 12,399 | \$10.51 | 4.0% |
| Large | HDHP | 201710 | 2 Brand | \$134,556 | 12,363 | \$10.88 | 19.3% |

Summary of Historical Rx Claims Broken Out by Rx Category - HDHP

| Size | Product Type | Rolling 12 End Date YYYYMM | Rx Category | Allowed | Member Months | Allowed PMPM | Rolling 12 Allowed Trend |
|-------|--------------|-------------------------------|-------------|-----------|------------------|-----------------|-----------------------------|
| Large | HDHP | 201510 | 3 Specialty | \$596,979 | 31,603 | \$18.89 | N/A |
| Large | HDHP | 201511 | 3 Specialty | \$569,832 | 29,680 | \$19.20 | N/A |
| Large | HDHP | 201512 | 3 Specialty | \$543,144 | 27,814 | \$19.53 | N/A |
| Large | HDHP | 201601 | 3 Specialty | \$518,724 | 26,682 | \$19.44 | N/A |
| Large | HDHP | 201602 | 3 Specialty | \$499,111 | 25,449 | \$19.61 | N/A |
| Large | HDHP | 201603 | 3 Specialty | \$472,636 | 24,202 | \$19.53 | N/A |
| Large | HDHP | 201604 | 3 Specialty | \$458,331 | 22,840 | \$20.07 | N/A |
| Large | HDHP | 201605 | 3 Specialty | \$449,713 | 21,473 | \$20.94 | N/A |
| Large | HDHP | 201606 | 3 Specialty | \$428,174 | 20,183 | \$21.21 | N/A |
| Large | HDHP | 201607 | 3 Specialty | \$325,937 | 17,819 | \$18.29 | N/A |
| Large | HDHP | 201608 | 3 Specialty | \$290,970 | 17,581 | \$16.55 | N/A |
| Large | HDHP | 201609 | 3 Specialty | \$287,821 | 16,316 | \$17.64 | N/A |
| Large | HDHP | 201610 | 3 Specialty | \$260,424 | 15,077 | \$17.27 | -8.6% |
| Large | HDHP | 201611 | 3 Specialty | \$257,054 | 14,151 | \$18.17 | -5.4% |
| Large | HDHP | 201612 | 3 Specialty | \$213,765 | 13,251 | \$16.13 | -17.4% |
| Large | HDHP | 201701 | 3 Specialty | \$218,743 | 13,024 | \$16.80 | -13.6% |
| Large | HDHP | 201702 | 3 Specialty | \$211,454 | 12,862 | \$16.44 | -16.2% |
| Large | HDHP | 201703 | 3 Specialty | \$200,633 | 12,690 | \$15.81 | -19.0% |
| Large | HDHP | 201704 | 3 Specialty | \$191,566 | 12,639 | \$15.16 | -24.5% |
| Large | HDHP | 201705 | 3 Specialty | \$179,889 | 12,569 | \$14.31 | -31.7% |
| Large | HDHP | 201706 | 3 Specialty | \$168,435 | 12,508 | \$13.47 | -36.5% |
| Large | HDHP | 201707 | 3 Specialty | \$164,466 | 12,474 | \$13.18 | -27.9% |
| Large | HDHP | 201708 | 3 Specialty | \$161,098 | 12,446 | \$12.94 | -21.8% |
| Large | HDHP | 201709 | 3 Specialty | \$155,787 | 12,399 | \$12.56 | -28.8% |
| Large | HDHP | 201710 | 3 Specialty | \$158,257 | 12,363 | \$12.80 | -25.9% |

Summary of Historical Rx Claims Broken Out by Rx Category - Non-HDHP

| Size | Product Type | Rolling 12 | Rx Category | Allowed | Member Months | Allowed PMPM | Rolling 12 |
|-------|--------------|-----------------|-------------|-----------|---------------|--------------|---------------|
| | | End Date YYYYMM | | | | | Allowed Trend |
| Large | Non-HDHP | 201510 | 1 Generic | \$368,089 | 17,151 | \$21.46 | N/A |
| Large | Non-HDHP | 201511 | 1 Generic | \$367,179 | 16,839 | \$21.81 | N/A |
| Large | Non-HDHP | 201512 | 1 Generic | \$357,807 | 16,534 | \$21.64 | N/A |
| Large | Non-HDHP | 201601 | 1 Generic | \$358,475 | 16,498 | \$21.73 | N/A |
| Large | Non-HDHP | 201602 | 1 Generic | \$358,888 | 16,451 | \$21.82 | N/A |
| Large | Non-HDHP | 201603 | 1 Generic | \$352,731 | 16,436 | \$21.46 | N/A |
| Large | Non-HDHP | 201604 | 1 Generic | \$353,804 | 16,428 | \$21.54 | N/A |
| Large | Non-HDHP | 201605 | 1 Generic | \$352,868 | 16,383 | \$21.54 | N/A |
| Large | Non-HDHP | 201606 | 1 Generic | \$353,050 | 16,378 | \$21.56 | N/A |
| Large | Non-HDHP | 201607 | 1 Generic | \$322,148 | 15,018 | \$21.45 | N/A |
| Large | Non-HDHP | 201608 | 1 Generic | \$350,173 | 16,407 | \$21.34 | N/A |
| Large | Non-HDHP | 201609 | 1 Generic | \$340,526 | 16,402 | \$20.76 | N/A |
| Large | Non-HDHP | 201610 | 1 Generic | \$341,243 | 16,378 | \$20.84 | -2.9% |
| Large | Non-HDHP | 201611 | 1 Generic | \$343,302 | 16,399 | \$20.93 | -4.0% |
| Large | Non-HDHP | 201612 | 1 Generic | \$345,702 | 16,411 | \$21.07 | -2.7% |
| Large | Non-HDHP | 201701 | 1 Generic | \$345,550 | 16,325 | \$21.17 | -2.6% |
| Large | Non-HDHP | 201702 | 1 Generic | \$345,526 | 16,232 | \$21.29 | -2.4% |
| Large | Non-HDHP | 201703 | 1 Generic | \$344,844 | 16,148 | \$21.36 | -0.5% |
| Large | Non-HDHP | 201704 | 1 Generic | \$339,376 | 16,064 | \$21.13 | -1.9% |
| Large | Non-HDHP | 201705 | 1 Generic | \$336,936 | 15,730 | \$21.42 | -0.6% |
| Large | Non-HDHP | 201706 | 1 Generic | \$328,952 | 15,364 | \$21.41 | -0.7% |
| Large | Non-HDHP | 201707 | 1 Generic | \$319,524 | 14,970 | \$21.34 | -0.5% |
| Large | Non-HDHP | 201708 | 1 Generic | \$309,865 | 14,578 | \$21.26 | -0.4% |
| Large | Non-HDHP | 201709 | 1 Generic | \$299,949 | 14,192 | \$21.14 | 1.8% |
| Large | Non-HDHP | 201710 | 1 Generic | \$290,944 | 13,821 | \$21.05 | 1.0% |
| Large | Non-HDHP | 201510 | 2 Brand | \$275,262 | 17,151 | \$16.05 | N/A |
| Large | Non-HDHP | 201511 | 2 Brand | \$274,765 | 16,839 | \$16.32 | N/A |
| Large | Non-HDHP | 201512 | 2 Brand | \$278,883 | 16,534 | \$16.87 | N/A |
| Large | Non-HDHP | 201601 | 2 Brand | \$295,098 | 16,498 | \$17.89 | N/A |
| Large | Non-HDHP | 201602 | 2 Brand | \$304,720 | 16,451 | \$18.52 | N/A |
| Large | Non-HDHP | 201603 | 2 Brand | \$311,921 | 16,436 | \$18.98 | N/A |
| Large | Non-HDHP | 201604 | 2 Brand | \$327,798 | 16,428 | \$19.95 | N/A |
| Large | Non-HDHP | 201605 | 2 Brand | \$341,734 | 16,383 | \$20.86 | N/A |
| Large | Non-HDHP | 201606 | 2 Brand | \$344,386 | 16,378 | \$21.03 | N/A |
| Large | Non-HDHP | 201607 | 2 Brand | \$324,491 | 15,018 | \$21.61 | N/A |
| Large | Non-HDHP | 201608 | 2 Brand | \$362,043 | 16,407 | \$22.07 | N/A |
| Large | Non-HDHP | 201609 | 2 Brand | \$371,309 | 16,402 | \$22.64 | N/A |
| Large | Non-HDHP | 201610 | 2 Brand | \$376,329 | 16,378 | \$22.98 | 43.2% |
| Large | Non-HDHP | 201611 | 2 Brand | \$380,954 | 16,399 | \$23.23 | 42.4% |
| Large | Non-HDHP | 201612 | 2 Brand | \$385,965 | 16,411 | \$23.52 | 39.4% |
| Large | Non-HDHP | 201701 | 2 Brand | \$376,380 | 16,325 | \$23.06 | 28.9% |
| Large | Non-HDHP | 201702 | 2 Brand | \$373,091 | 16,232 | \$22.98 | 24.1% |
| Large | Non-HDHP | 201703 | 2 Brand | \$371,216 | 16,148 | \$22.99 | 21.1% |
| Large | Non-HDHP | 201704 | 2 Brand | \$368,716 | 16,064 | \$22.95 | 15.0% |
| Large | Non-HDHP | 201705 | 2 Brand | \$359,189 | 15,730 | \$22.83 | 9.5% |
| Large | Non-HDHP | 201706 | 2 Brand | \$349,368 | 15,364 | \$22.74 | 8.1% |
| Large | Non-HDHP | 201707 | 2 Brand | \$340,674 | 14,970 | \$22.76 | 5.3% |
| Large | Non-HDHP | 201708 | 2 Brand | \$335,121 | 14,578 | \$22.99 | 4.2% |
| Large | Non-HDHP | 201709 | 2 Brand | \$322,938 | 14,192 | \$22.75 | 0.5% |
| Large | Non-HDHP | 201710 | 2 Brand | \$320,756 | 13,821 | \$23.21 | 1.0% |

Summary of Historical Rx Claims Broken Out by Rx Category - Non-HDHP

| Size | Product Type | Rolling 12 | | Allowed | Member Months | Allowed PMPM | Rolling 12 Allowed Trend |
|-------|--------------|-----------------|-------------|-----------|---------------|--------------|--------------------------|
| | | End Date YYYYMM | Rx Category | | | | |
| Large | Non-HDHP | 201510 | 3 Specialty | \$728,142 | 17,151 | \$42.45 | N/A |
| Large | Non-HDHP | 201511 | 3 Specialty | \$704,251 | 16,839 | \$41.82 | N/A |
| Large | Non-HDHP | 201512 | 3 Specialty | \$705,128 | 16,534 | \$42.65 | N/A |
| Large | Non-HDHP | 201601 | 3 Specialty | \$730,378 | 16,498 | \$44.27 | N/A |
| Large | Non-HDHP | 201602 | 3 Specialty | \$742,229 | 16,451 | \$45.12 | N/A |
| Large | Non-HDHP | 201603 | 3 Specialty | \$764,686 | 16,436 | \$46.53 | N/A |
| Large | Non-HDHP | 201604 | 3 Specialty | \$706,043 | 16,428 | \$42.98 | N/A |
| Large | Non-HDHP | 201605 | 3 Specialty | \$684,003 | 16,383 | \$41.75 | N/A |
| Large | Non-HDHP | 201606 | 3 Specialty | \$695,184 | 16,378 | \$42.45 | N/A |
| Large | Non-HDHP | 201607 | 3 Specialty | \$633,110 | 15,018 | \$42.16 | N/A |
| Large | Non-HDHP | 201608 | 3 Specialty | \$673,006 | 16,407 | \$41.02 | N/A |
| Large | Non-HDHP | 201609 | 3 Specialty | \$645,704 | 16,402 | \$39.37 | N/A |
| Large | Non-HDHP | 201610 | 3 Specialty | \$600,684 | 16,378 | \$36.68 | -13.6% |
| Large | Non-HDHP | 201611 | 3 Specialty | \$635,145 | 16,399 | \$38.73 | -7.4% |
| Large | Non-HDHP | 201612 | 3 Specialty | \$656,766 | 16,411 | \$40.02 | -6.2% |
| Large | Non-HDHP | 201701 | 3 Specialty | \$651,129 | 16,325 | \$39.89 | -9.9% |
| Large | Non-HDHP | 201702 | 3 Specialty | \$704,367 | 16,232 | \$43.39 | -3.8% |
| Large | Non-HDHP | 201703 | 3 Specialty | \$696,219 | 16,148 | \$43.11 | -7.3% |
| Large | Non-HDHP | 201704 | 3 Specialty | \$733,114 | 16,064 | \$45.64 | 6.2% |
| Large | Non-HDHP | 201705 | 3 Specialty | \$747,757 | 15,730 | \$47.54 | 13.9% |
| Large | Non-HDHP | 201706 | 3 Specialty | \$752,642 | 15,364 | \$48.99 | 15.4% |
| Large | Non-HDHP | 201707 | 3 Specialty | \$739,958 | 14,970 | \$49.43 | 17.3% |
| Large | Non-HDHP | 201708 | 3 Specialty | \$710,343 | 14,578 | \$48.73 | 18.8% |
| Large | Non-HDHP | 201709 | 3 Specialty | \$760,033 | 14,192 | \$53.55 | 36.0% |
| Large | Non-HDHP | 201710 | 3 Specialty | \$761,229 | 13,821 | \$55.08 | 50.2% |

Summary of Historical Rx Claims Broken Out by Rx Category - Total

| Size | Product Type | Rolling 12 | | Allowed | Member Months | Allowed PMPM | Rolling 12 |
|-------|--------------|-----------------|-------------|-----------|---------------|--------------|---------------|
| | | End Date YYYYMM | Rx Category | | | | Allowed Trend |
| Large | All | 201510 | 1 Generic | \$830,345 | 48,754 | \$17.03 | N/A |
| Large | All | 201511 | 1 Generic | \$789,382 | 46,519 | \$16.97 | N/A |
| Large | All | 201512 | 1 Generic | \$726,270 | 44,348 | \$16.38 | N/A |
| Large | All | 201601 | 1 Generic | \$700,683 | 43,180 | \$16.23 | N/A |
| Large | All | 201602 | 1 Generic | \$676,370 | 41,900 | \$16.14 | N/A |
| Large | All | 201603 | 1 Generic | \$644,618 | 40,638 | \$15.86 | N/A |
| Large | All | 201604 | 1 Generic | \$616,231 | 39,268 | \$15.69 | N/A |
| Large | All | 201605 | 1 Generic | \$590,274 | 37,856 | \$15.59 | N/A |
| Large | All | 201606 | 1 Generic | \$564,892 | 36,561 | \$15.45 | N/A |
| Large | All | 201607 | 1 Generic | \$500,735 | 32,837 | \$15.25 | N/A |
| Large | All | 201608 | 1 Generic | \$514,026 | 33,988 | \$15.12 | N/A |
| Large | All | 201609 | 1 Generic | \$475,503 | 32,718 | \$14.53 | N/A |
| Large | All | 201610 | 1 Generic | \$454,063 | 31,455 | \$14.44 | -15.2% |
| Large | All | 201611 | 1 Generic | \$447,943 | 30,550 | \$14.66 | -13.6% |
| Large | All | 201612 | 1 Generic | \$443,202 | 29,662 | \$14.94 | -8.8% |
| Large | All | 201701 | 1 Generic | \$442,455 | 29,349 | \$15.08 | -7.1% |
| Large | All | 201702 | 1 Generic | \$441,808 | 29,094 | \$15.19 | -5.9% |
| Large | All | 201703 | 1 Generic | \$441,030 | 28,838 | \$15.29 | -3.6% |
| Large | All | 201704 | 1 Generic | \$437,398 | 28,703 | \$15.24 | -2.9% |
| Large | All | 201705 | 1 Generic | \$439,548 | 28,299 | \$15.53 | -0.4% |
| Large | All | 201706 | 1 Generic | \$433,148 | 27,872 | \$15.54 | 0.6% |
| Large | All | 201707 | 1 Generic | \$426,248 | 27,444 | \$15.53 | 1.9% |
| Large | All | 201708 | 1 Generic | \$418,800 | 27,024 | \$15.50 | 2.5% |
| Large | All | 201709 | 1 Generic | \$411,456 | 26,591 | \$15.47 | 6.5% |
| Large | All | 201710 | 1 Generic | \$402,299 | 26,184 | \$15.36 | 6.4% |
| Large | All | 201510 | 2 Brand | \$720,809 | 48,754 | \$14.78 | N/A |
| Large | All | 201511 | 2 Brand | \$674,923 | 46,519 | \$14.51 | N/A |
| Large | All | 201512 | 2 Brand | \$613,204 | 44,348 | \$13.83 | N/A |
| Large | All | 201601 | 2 Brand | \$618,468 | 43,180 | \$14.32 | N/A |
| Large | All | 201602 | 2 Brand | \$600,256 | 41,900 | \$14.33 | N/A |
| Large | All | 201603 | 2 Brand | \$588,969 | 40,638 | \$14.49 | N/A |
| Large | All | 201604 | 2 Brand | \$584,922 | 39,268 | \$14.90 | N/A |
| Large | All | 201605 | 2 Brand | \$581,223 | 37,856 | \$15.35 | N/A |
| Large | All | 201606 | 2 Brand | \$563,754 | 36,561 | \$15.42 | N/A |
| Large | All | 201607 | 2 Brand | \$516,623 | 32,837 | \$15.73 | N/A |
| Large | All | 201608 | 2 Brand | \$543,511 | 33,988 | \$15.99 | N/A |
| Large | All | 201609 | 2 Brand | \$536,171 | 32,718 | \$16.39 | N/A |
| Large | All | 201610 | 2 Brand | \$513,854 | 31,455 | \$16.34 | 10.5% |
| Large | All | 201611 | 2 Brand | \$509,026 | 30,550 | \$16.66 | 14.8% |
| Large | All | 201612 | 2 Brand | \$503,426 | 29,662 | \$16.97 | 22.7% |
| Large | All | 201701 | 2 Brand | \$490,724 | 29,349 | \$16.72 | 16.7% |
| Large | All | 201702 | 2 Brand | \$487,727 | 29,094 | \$16.76 | 17.0% |
| Large | All | 201703 | 2 Brand | \$484,423 | 28,838 | \$16.80 | 15.9% |
| Large | All | 201704 | 2 Brand | \$489,502 | 28,703 | \$17.05 | 14.5% |
| Large | All | 201705 | 2 Brand | \$484,174 | 28,299 | \$17.11 | 11.4% |
| Large | All | 201706 | 2 Brand | \$479,468 | 27,872 | \$17.20 | 11.6% |
| Large | All | 201707 | 2 Brand | \$472,970 | 27,444 | \$17.23 | 9.5% |
| Large | All | 201708 | 2 Brand | \$466,922 | 27,024 | \$17.28 | 8.0% |
| Large | All | 201709 | 2 Brand | \$453,245 | 26,591 | \$17.05 | 4.0% |
| Large | All | 201710 | 2 Brand | \$455,312 | 26,184 | \$17.39 | 6.4% |

Summary of Historical Rx Claims Broken Out by Rx Category - Total

| Size | Product Type | Rolling 12 | | Allowed | Member Months | Allowed PMPM | Rolling 12 |
|-------|--------------|-----------------|-------------|-------------|---------------|--------------|---------------|
| | | End Date YYYYMM | Rx Category | | | | Allowed Trend |
| Large | All | 201510 | 3 Specialty | \$1,325,121 | 48,754 | \$27.18 | N/A |
| Large | All | 201511 | 3 Specialty | \$1,274,083 | 46,519 | \$27.39 | N/A |
| Large | All | 201512 | 3 Specialty | \$1,248,271 | 44,348 | \$28.15 | N/A |
| Large | All | 201601 | 3 Specialty | \$1,249,102 | 43,180 | \$28.93 | N/A |
| Large | All | 201602 | 3 Specialty | \$1,241,340 | 41,900 | \$29.63 | N/A |
| Large | All | 201603 | 3 Specialty | \$1,237,322 | 40,638 | \$30.45 | N/A |
| Large | All | 201604 | 3 Specialty | \$1,164,374 | 39,268 | \$29.65 | N/A |
| Large | All | 201605 | 3 Specialty | \$1,133,716 | 37,856 | \$29.95 | N/A |
| Large | All | 201606 | 3 Specialty | \$1,123,358 | 36,561 | \$30.73 | N/A |
| Large | All | 201607 | 3 Specialty | \$959,048 | 32,837 | \$29.21 | N/A |
| Large | All | 201608 | 3 Specialty | \$963,975 | 33,988 | \$28.36 | N/A |
| Large | All | 201609 | 3 Specialty | \$933,525 | 32,718 | \$28.53 | N/A |
| Large | All | 201610 | 3 Specialty | \$861,108 | 31,455 | \$27.38 | 0.7% |
| Large | All | 201611 | 3 Specialty | \$892,199 | 30,550 | \$29.20 | 6.6% |
| Large | All | 201612 | 3 Specialty | \$870,531 | 29,662 | \$29.35 | 4.3% |
| Large | All | 201701 | 3 Specialty | \$869,871 | 29,349 | \$29.64 | 2.5% |
| Large | All | 201702 | 3 Specialty | \$915,821 | 29,094 | \$31.48 | 6.3% |
| Large | All | 201703 | 3 Specialty | \$896,852 | 28,838 | \$31.10 | 2.1% |
| Large | All | 201704 | 3 Specialty | \$924,680 | 28,703 | \$32.22 | 8.6% |
| Large | All | 201705 | 3 Specialty | \$927,646 | 28,299 | \$32.78 | 9.5% |
| Large | All | 201706 | 3 Specialty | \$921,077 | 27,872 | \$33.05 | 7.6% |
| Large | All | 201707 | 3 Specialty | \$904,424 | 27,444 | \$32.96 | 12.8% |
| Large | All | 201708 | 3 Specialty | \$871,441 | 27,024 | \$32.25 | 13.7% |
| Large | All | 201709 | 3 Specialty | \$915,820 | 26,591 | \$34.44 | 20.7% |
| Large | All | 201710 | 3 Specialty | \$919,486 | 26,184 | \$35.12 | 28.3% |

MVP Health Plan (“MVPHP”) Experience Rated Addendum – 3Q/4Q 2018 Effective Dates

This document is an Addendum to MVP’s 3Q/4Q 2018 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 HMO 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 3Q/4Q 2018 effective dates. Please See Exhibit 1 in the MVPHIC rate filing for the POS out of network riders filed on MVP Health Insurance Company for 3Q/4Q 2018 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 charged a pooling fee and fee-for-service medical and Rx claims above the applicable attachment point are removed from their claim data. The charge is based on the following table:

| Pooling Level | 2018 Pooling Charge |
|---------------|---------------------|
| \$80,000 | 11.98% |
| \$85,000 | 11.11% |
| \$90,000 | 10.37% |
| \$100,000 | 9.16% |
| \$125,000 | 7.14% |
| \$150,000 | 5.75% |
| \$175,000 | 4.70% |
| \$200,000 | 3.94% |
| \$250,000 | 2.91% |
| \$300,000 | 2.16% |
| \$350,000 | 1.68% |
| \$400,000 | 1.26% |
| \$450,000 | 0.84% |
| \$500,000 | 0.52% |

Group size will be considered when selecting the appropriate pooling charge. The max pool level is the maximum amount MVP will allow for a given group size:

| Avg. Subscribers | Max Pool Level |
|------------------|----------------|
| Up to 299 | \$100,000 |
| 300-499 | \$150,000 |
| 500-999 | \$200,000 |
| 1,000-1,499 | \$250,000 |
| 1,500-2,499 | \$350,000 |
| 2,500 and up | \$450,000 |

TREND FACTORS

The following trends are used to project historical experience of the group to the proposed rating period. Exhibit 1 and Exhibit 2 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. Paid trends are calculated by multiplying the applicable allowed trend times the leveraging factor.

| Year | Allowed Medical Trend | Pharmacy Trend |
|---------------|-----------------------|----------------|
| 2017 | 2.0% | 10.2% |
| 2018 | 2.5% | 12.9% |
| 2019 & Beyond | 2.6% | 15.3% |

| | |
|--------------------------|------|
| Annual Leveraging Factor | 0.3% |
|--------------------------|------|

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 0.79 is used to account for this reduction in pharmacy costs and reflects MVP's estimated pharmacy rebates received for 2018 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 a 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 12 months of historical data and therefore, the period weights are not applicable. For the smaller of the large groups, the underwriter will consider extending the historical look back to 24 months 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 an 80% weight to the most recent 12 months of data and a 20% weight to the prior period of data. These weights may vary 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

Based on MVP's product guidelines for offering a prospective experience rate, an employer must have (or project) a minimum of 100 eligible employees for the proposed rating period. However, consistent with industry rating practices, smaller sized experience rated groups should not be considered as producing 100% credible claims information. 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 599 | 0% |
| 600 to 2,400 | 20% |
| 2,401 to 3,700 | 30% |
| 3,701 to 4,900 | 40% |
| 4,901 to 6,100 | 50% |
| 6,101 to 7,300 | 60% |
| 7,301 to 8,500 | 70% |
| 8,501 to 9,700 | 80% |
| 9,701 to 12,200 | 90% |
| 12,201 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 12 months of incurred claims data or data is not provided for all services or employees – Generally, a minimum of one full calendar year 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 12 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%.

UNDERWRITING JUDGMENT/GROUP RISK ASSESSMENT

Underwriting judgment will be used by the underwriter in determining inputs to the rating formula or to modify the result depending on the circumstances of the case, the data available, or the quality of the available data.

Adjustments may be made due to items such as poor claim and enrollment experience data being presented for new groups, the group's claim trend being historically different than the averages, variability in claims experience, participation levels/group size changes, plan sponsor contribution levels, number of plan offerings, plan sponsor and covered population stability, and plan sponsor persistency. Adjustments may be both positive and negative, but will not be larger than 10% in either direction.

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 PEPM 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 following table reflects actual 2018 assessment rates provided by the state of New York.

| Region | 2018 Actual | |
|-----------------|-------------|---------|
| | Individual | Family |
| New York City | \$14.03 | \$46.29 |
| Long Island | \$4.98 | \$16.45 |
| Northern Metro | \$2.88 | \$9.49 |
| Northeastern | \$3.29 | \$10.87 |
| Utica/Watertown | \$0.69 | \$2.29 |
| Central | \$4.58 | \$15.12 |
| Rochester | \$8.58 | \$28.30 |
| Western | \$3.07 | \$10.12 |

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 0.25% 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 = 9.7%

Bad Debt = 0.25%

Broker Loads = group specific

Percent of Premium Taxes/Fees:

Premium Tax = 0.0%

Contribution to Surplus = 2.0%

VT Vaccine Assessment = 0.5%

Insurer Tax = 1.0% for 2018 coverage dates; 0.0% for 2019 coverage dates

Percent of Paid Claim Surcharges:

VT Paid Claims Surcharge = 0.999%

PMPM Retention

PMPM = \$0

PMPM Taxes/Assessments:

Comparative Effectiveness Research Tax = \$0.21

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.

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

NEW BUSINESS DISCOUNT

Due to the variances in information available for use in rating prospects, MVP is introducing the following additional adjustments to be used in developing new business proposals. The discount will apply to currently insured accounts that will offer MVP on a total replacement basis and have non-Medicare retiree enrollment of less than 5% of the total group enrollment.

Rate reduction of 5.0% will be applied if group meets the following criteria:

- *Demographic Factor <=1.10
- *Participation >70% of total employees being offered coverage
- *Employer Contribution > =50% of single rate of richest plan to all plans/tiers
- *Employer Deductible Funding not greater than 70% of the In-Network Deductible
- *One carrier prior 2 years
- *For accounts with <100 enrolled contracts quoted without claims data, documented incumbent Carrier Initial Renewal <12% (not from a rate cap)

Rate reduction of 8.0% will be applied if group meets the above list in addition to the following:

- *Employer Deductible Funding not greater than 50% of the In-Network Deductible
- *Enrollment decline of less than 15% in past 12 months
- *One carrier for prior 3 years

Discount Recovery:

| Year 1 Discount | Year 2 Discount | Year 3 Discount |
|-----------------|-----------------|-----------------|
| 5.0% | 3.5% | 2.0% |
| 8.0% | 6.0% | 4.0% |

Employer groups will be required to provide documentation showing the criteria are met or sign an affidavit supporting the statement.

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.



Eric Bachner, ASA
Senior Actuarial Analyst
MVP Health Care



MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - December 31, 2018

- Exhibit 1 -- Summary of Medical Coplans Offered
- Exhibit 2a -- 3Q 2018 Pricing Trend Assumptions
- Exhibits 2b-2d -- 3Q 2018 Rx Paid Trend Development
- Exhibit 2e -- 4Q 2018 Pricing Trend Assumptions
- Exhibits 2f-2h -- 4Q 2018 Rx Paid Trend Development
- Exhibit 3a -- 3Q 2018 Claim Projection and Proposed Rate Change
- Exhibit 3b -- 4Q 2018 Claim Projection and Proposed Rate Change
- Exhibit 4a -- Medical Manual Rates
- Exhibit 4b -- Medical Rider Rates
- Exhibit 4c -- Rx Rider Rates

Exhibit 1 -- Summary of Medical Coplans Offered

Large Group VT HMO AR44 Rate Filing
 For Effective Dates Beginning Between July 1, 2018 - December 31, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | In-Network Benefits | | | | | | | | | | Pharmacy |
|--------------|-------------|-------------|--------------|---------------------|------|---------------|-------|---------|-----|-------|---------|--------|---------|----------------------|
| | | | | PCP | SCP | IP (Med/Surg) | ER | OP Surg | DME | Amb | Ded | Coins. | OOP Max | |
| VT3HMO087ZLN | VE2-087 | VE087L | HMO | \$25 | \$40 | \$500 | \$100 | \$150 | 50% | \$100 | \$0 | 0% | \$5,300 | Riders Available |
| VT3HMO089ZLN | VE2-089 | VE089L | HMO | \$30 | \$50 | \$1,000 | \$100 | \$150 | 50% | \$100 | \$0 | 0% | \$5,300 | Riders Available |
| VT3HMO091ZLE | VE2-091 | VE091L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO092ZLE | VE2-092 | VE092L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$2,000 | Riders Available |
| VT3HMO093ZLE | VE2-093 | VE093L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$2,000 | 20% | \$4,000 | Riders Available |
| VT3HMO095ZLE | VE2-095 | VE095L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$3,000 | Riders Available |
| VT3HMO100ZLE | VE2-100 | VE100L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$2,000 | 20% | \$4,000 | Riders Available |
| VT3HMO101ZLE | VE2-101 | VE101L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO103ZLE | VE2-103 | VE103L | HyHMO | \$30 | \$50 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$3,000 | Riders Available |
| VT3HMO107ZLE | VE2-107 | VE107L | HyHMO | \$30 | \$50 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO110ZLE | VE2-110 | VE110L | HyHMO | \$30 | \$30 | 20% | \$200 | 20% | 50% | 20% | \$2,000 | 20% | \$5,300 | Riders Available |
| VT3HMO116ZLE | VE2-116 | VE116L | HyHMO | \$30 | \$50 | \$0 | \$200 | \$0 | 50% | \$0 | \$5,000 | 0% | \$5,300 | Riders Available |
| VT3HMO117ZLE | VE2-117 | VE117L | HyHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$1 | \$0 | \$5,000 | 0% | \$5,000 | Riders Available |
| VT3HMO118ZLE | VE2-118 | N/A | HyHMO | \$30 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000 | 0% | \$4,000 | Riders Available |
| VT3HDH01AXL | VEHD2-01 | VEHD-01L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,500 | 0% | \$2,500 | \$10/\$30/\$50 |
| VT3HDH02AXL | VEHD2-02 | VEHD-02L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,500 | 0% | \$3,500 | \$10/\$30/\$50 |
| VT3HDH07AXL | VEHD2-07 | VEHD-07L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$1,500 | 20% | \$3,000 | 20%/20%/40% |
| VT3HDH08AXL | VEHD2-08 | VEHD-08L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,000 | 20% | \$4,000 | 20%/20%/40% |
| VT3HDH09AXL | VEHD2-09 | VEHD-09L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,500 | 20% | \$5,000 | 20%/20%/40% |
| VT3HDH15AXL | VEHD2-15 | VEHD-15L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,500 | 20% | \$5,000 | 50% |
| VT3HDH17AXL | VEHD2-17 | VEHD-17L | HDHMOagg | \$30 | \$50 | \$500 | \$150 | \$200 | 50% | \$150 | \$2,500 | 0% | \$5,000 | \$10/\$30/\$50 |
| VT3HDH19EXLE | VEHD2-19 | VEHD-19L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 | \$5,000 | 0% | \$5,000 | \$0 after Deductible |
| VT3HDH41EXLE | VEHD2-41 | VEHD-41L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 | \$2,700 | 0% | \$2,700 | \$0 after Deductible |
| VT3HDH43EXLE | VEHD2-43 | VEHD-43L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000 | 0% | \$4,000 | \$0 after Deductible |
| VT3HDH46AXL | VEHD2-46 | VEHD-46L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,000 | 0% | \$3,000 | \$0 after Deductible |
| VT3HDH50EXLE | VEHD2-50 | VEHD-50L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,550 | 0% | \$6,550 | \$0 after Deductible |
| VT3HDH51EXLE | VEHD2-51 | N/A | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,650 | 0% | \$6,650 | \$0 after Deductible |
| VT3HDH52AXL | N/A | N/A | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,000 | 30% | \$6,000 | 30%/30%/50% |
| VT3HDH53EXLE | N/A | N/A | HDHMO | 0 | 0 | \$0 | \$0 | \$0 | 0% | \$0 | \$7,350 | 0% | \$7,350 | \$0 after Deductible |

Exhibit 2a -- Pricing Trend Assumptions -- 3Q Projection

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017
Rating Period: July 1, 2018 - June 30, 2019

| 2017 | 2018 | 2019 | Total | |
|-----------------|------|------|-------|----|
| Months of Trend | 2 | 12 | 6 | 20 |

Medical Trend Summary

2017 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-------------|-------------|-------------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.4% | 4.2% | 0.0% | 4.2% |
| OP and Other Med | 46.3% | 3.9% | 0.0% | 3.9% |
| PHY | 31.3% | -2.4% | 0.0% | -2.4% |
| Medical Total | | 2.0% | 0.0% | 2.0% |

2018 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-------------|-------------|-------------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.5% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 46.4% | 4.7% | 0.0% | 4.7% |
| PHY | 31.1% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.5% | 0.0% | 2.5% |

2019 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-------------|-------------|-------------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 23.0% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 47.4% | 4.7% | 0.0% | 4.7% |
| PHY | 29.5% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.6% | 0.0% | 2.6% |

Leveraging Impact - Large Group Non-HDHP Fee-For-Service Medical Claims

| | | | | | |
|----------------------------|----------------|--------------------|--------------|-------------------|--------------|
| Member Months | 13,821 | | | | |
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$471.54 | \$12.35 | \$17.30 | \$26.36 | \$415.54 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.000 | 1.046 |
| Projection Period: | \$491.05 | \$12.86 | \$17.30 | \$26.36 | \$434.54 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | 2.7% | | | | |
| Leveraging (Annual) | 0.3% | | | | |

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

| | | | | | |
|----------------------------|----------------|--------------------|--------------|-------------------|--------------|
| Member Months | 12,363 | | | | |
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$362.40 | \$8.41 | \$0.00 | \$78.27 | \$275.71 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.014 | 1.049 |
| Projection Period: | \$377.39 | \$8.75 | \$0.00 | \$79.37 | \$289.26 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | 2.9% | | | | |
| Leveraging (Annual) | 0.4% | | | | |

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

| | | | | | |
|----------------------------|----------------|--------------------|--------------|-------------------|--------------|
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$420.01 | \$10.49 | \$9.13 | \$50.87 | \$349.52 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.010 | 1.047 |
| Projection Period: | \$437.38 | \$10.92 | \$9.13 | \$51.39 | \$365.94 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | 2.8% | | | | |
| Leveraging (Annual) | 0.3% | | | | |

*Ignores impact of removing high cost claims and replacing with pooling charge. Paid projection will not tie out to FFS claim projection on Tab 30 unless these adjustments are taken into account.

Rx Trend Summary

| | 2017 Trend | | 2018 Trend | | 2019 Trend | |
|-----------|------------|-------------|------------|-------------|------------|-------------|
| | Unit Cost | Utilization | Unit Cost | Utilization | Unit Cost | Utilization |
| Generic | -8.3% | 0.8% | -0.4% | 2.7% | 4.6% | 3.1% |
| Brand | 9.9% | -4.4% | 14.9% | 2.5% | 12.5% | 1.4% |
| Specialty | 10.9% | 9.6% | 6.9% | 7.5% | 10.6% | 7.4% |

| |
|--|
| Exhibit 2b -- Rx Trend Development - 3Q |
|--|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 26,184

| Rx Claim Information | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 9,209 | 776 | 124 | 10,108 |
| Experience Period Allowed PMPM | \$15.36 | \$17.39 | \$35.12 | \$67.87 |
| Experience Period Deductible PMPM | \$2.11 | \$0.91 | \$0.41 | \$3.42 |
| Experience Period Copay PMPM | \$2.49 | \$1.35 | \$0.20 | \$4.04 |
| Experience Period Coinsurance PMPM | \$0.50 | \$0.49 | \$2.57 | \$3.57 |
| Experience Period Cost Sharing PMPM | \$5.10 | \$2.75 | \$3.18 | \$11.03 |
| Experience Period Paid PMPM | \$10.27 | \$14.63 | \$31.94 | \$56.84 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.086 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.033 | 1.174 | 1.170 | 1.147 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 9,614 | 795 | 140 | 10,549 |
| Projected Allowed PMPM as of Q3 2018 | \$16.11 | \$22.06 | \$45.44 | \$83.60 |
| Projected Deductible PMPM | \$2.14 | \$0.92 | \$0.41 | \$3.47 |
| Projected Copay PMPM | \$2.60 | \$1.39 | \$0.22 | \$4.21 |
| Projected Coinsurance PMPM | \$0.53 | \$0.62 | \$3.33 | \$4.48 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.26 | \$2.93 | \$3.97 | \$12.16 |
| Projected Paid PMPM as of Q3 2018 | \$10.85 | \$19.13 | \$41.47 | \$71.44 |

| |
|---|
| Exhibit 2c -- Rx Trend Development - Non-HDHP 3Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 13,821

| Rx Claim Information | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 10,824 | 978 | 180 | 11,982 |
| Experience Period Allowed PMPM | \$21.05 | \$23.21 | \$55.08 | \$99.34 |
| Experience Period Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Experience Period Copay PMPM | \$4.51 | \$2.44 | \$0.37 | \$7.33 |
| Experience Period Coinsurance PMPM | \$0.51 | \$0.59 | \$4.88 | \$5.98 |
| Experience Period Cost Sharing PMPM | \$5.03 | \$3.03 | \$5.25 | \$13.31 |
| Experience Period Paid PMPM | \$16.03 | \$20.18 | \$49.83 | \$86.03 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.107 |
| Annual Deductible Trend | 1.000 | 1.000 | 1.000 | 1.000 |
| Annual Paid Trend | 1.029 | 1.170 | 1.168 | 1.143 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 11,301 | 1,002 | 203 | 12,506 |
| Projected Allowed PMPM as of Q3 2018 | \$22.07 | \$29.45 | \$71.26 | \$122.77 |
| Projected Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Projected Copay PMPM | \$4.71 | \$2.51 | \$0.42 | \$7.64 |
| Projected Coinsurance PMPM | \$0.54 | \$0.75 | \$6.31 | \$7.59 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.25 | \$3.25 | \$6.73 | \$15.23 |
| Projected Paid PMPM as of Q3 2018 | \$16.82 | \$26.19 | \$64.53 | \$107.54 |

| |
|---|
| Exhibit 2d -- Rx Trend Development - HDHP 3Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017
Paid Through: February 28, 2018
Member Months: 12,363

| Rx Claim Information | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 7,402 | 550 | 61 | 8,014 |
| Experience Period Allowed PMPM | \$9.01 | \$10.88 | \$12.80 | \$32.69 |
| Experience Period Deductible PMPM | \$4.46 | \$1.93 | \$0.86 | \$7.25 |
| Experience Period Copay PMPM | \$0.22 | \$0.13 | \$0.00 | \$0.36 |
| Experience Period Coinsurance PMPM | \$0.49 | \$0.38 | \$0.00 | \$0.87 |
| Experience Period Cost Sharing PMPM | \$5.17 | \$2.44 | \$0.86 | \$8.48 |
| Experience Period Paid PMPM | \$3.83 | \$8.44 | \$11.94 | \$24.21 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.054 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.052 | 1.187 | 1.178 | 1.162 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 7,728 | 564 | 69 | 8,361 |
| Projected Allowed PMPM as of Q3 2018 | \$9.44 | \$13.81 | \$16.56 | \$39.81 |
| Projected Deductible PMPM | \$4.52 | \$1.96 | \$0.87 | \$7.35 |
| Projected Copay PMPM | \$0.23 | \$0.14 | \$0.00 | \$0.37 |
| Projected Coinsurance PMPM | \$0.51 | \$0.48 | \$0.00 | \$1.00 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.27 | \$2.58 | \$0.87 | \$8.72 |
| Projected Paid PMPM as of Q3 2018 | \$4.17 | \$11.23 | \$15.69 | \$31.09 |

Exhibit 2e -- Pricing Trend Assumptions -- 4Q Projection

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| | |
|--------------------|--------------------------------------|
| Experience Period: | November 1, 2016 - October 31, 2017 |
| Rating Period: | October 1, 2018 - September 30, 2019 |

| Months of Trend | 2017 | 2018 | 2019 | Total |
|-----------------|------|------|------|-------|
| | 2 | 12 | 9 | 23 |

Medical Trend Summary

| 2017 Annual Trend | | | | |
|----------------------|--------|-------------|-------------|-------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.4% | 4.2% | 0.0% | 4.2% |
| OP and Other Med | 46.3% | 3.9% | 0.0% | 3.9% |
| PHY | 31.3% | -2.4% | 0.0% | -2.4% |
| Medical Total | | 2.0% | 0.0% | 2.0% |

| 2018 Annual Trend | | | | |
|----------------------|--------|-------------|-------------|-------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.5% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 46.4% | 4.7% | 0.0% | 4.7% |
| PHY | 31.1% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.5% | 0.0% | 2.5% |

| 2019 Annual Trend | | | | |
|----------------------|--------|-------------|-------------|-------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 23.0% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 47.4% | 4.7% | 0.0% | 4.7% |
| PHY | 29.5% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.6% | 0.0% | 2.6% |

| Leveraging Impact - Large Group Non-HDHP Fee-For-Service Medical Claims | | | | | | |
|---|---------------|----------|-------------|---------|------------|-------------|
| | Member Months | Allowed | Coinsurance | Copay | Deductible | Paid* |
| | 13,821 | | | | | |
| Experience Period: | | \$471.54 | \$12.35 | \$17.30 | \$26.36 | \$415.54 |
| 23 Months of Trend: | | 1.048 | 1.048 | 1.000 | 1.000 | 1.053 |
| Projection Period: | | \$494.20 | \$12.94 | \$17.30 | \$26.36 | \$437.60 |
| Allowed Trend (Annual) | | 2.5% | | | | |
| Paid Trend (Annual) | | | | | | 2.7% |
| Leveraging (Annual) | | | | | | 0.3% |

| Leveraging Impact - Large Group HDHP Fee-For-Service Medical Claims | | | | | | |
|---|---------------|----------|-------------|--------|------------|-------------|
| | Member Months | Allowed | Coinsurance | Copay | Deductible | Paid* |
| | 12,363 | | | | | |
| Experience Period: | | \$362.40 | \$8.41 | \$0.00 | \$78.27 | \$275.71 |
| 23 Months of Trend: | | 1.048 | 1.048 | 1.000 | 1.016 | 1.057 |
| Projection Period: | | \$379.81 | \$8.81 | \$0.00 | \$79.55 | \$291.45 |
| Allowed Trend (Annual) | | 2.5% | | | | |
| Paid Trend (Annual) | | | | | | 2.9% |
| Leveraging (Annual) | | | | | | 0.4% |

| Leveraging Impact - Large Group Fee-For-Service Medical Claims | | | | | |
|--|----------|-------------|--------|------------|-------------|
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$420.01 | \$10.49 | \$9.13 | \$50.87 | \$349.52 |
| 23 Months of Trend: | 1.048 | 1.048 | 1.000 | 1.012 | 1.055 |
| Projection Period: | \$440.19 | \$10.99 | \$9.13 | \$51.47 | \$368.59 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | | | | | 2.8% |
| Leveraging (Annual) | | | | | 0.3% |

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

| | 2017 Trend | | 2018 Trend | | 2019 Trend | |
|-----------|------------|-------------|------------|-------------|------------|-------------|
| | Unit Cost | Utilization | Unit Cost | Utilization | Unit Cost | Utilization |
| Generic | -8.3% | 0.8% | -0.4% | 2.7% | 4.6% | 3.1% |
| Brand | 9.9% | -4.4% | 14.9% | 2.5% | 12.5% | 1.4% |
| Specialty | 10.9% | 9.6% | 6.9% | 7.5% | 10.6% | 7.4% |

| |
|--|
| Exhibit 2f -- Rx Trend Development - 4Q |
|--|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 26,184

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 9,209 | 776 | 124 | 10,108 |
| Experience Period Allowed PMPM | \$15.36 | \$17.39 | \$35.12 | \$67.87 |
| Experience Period Deductible PMPM | \$2.11 | \$0.91 | \$0.41 | \$3.42 |
| Experience Period Copay PMPM | \$2.49 | \$1.35 | \$0.20 | \$4.04 |
| Experience Period Coinsurance PMPM | \$0.50 | \$0.49 | \$2.57 | \$3.57 |
| Experience Period Cost Sharing PMPM | \$5.10 | \$2.75 | \$3.18 | \$11.03 |
| Experience Period Paid PMPM | \$10.27 | \$14.63 | \$31.94 | \$56.84 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.026 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.107 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.042 | 1.172 | 1.172 | 1.150 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 9,687 | 798 | 142 | 10,627 |
| Projected Allowed PMPM as of Q4 2018 | \$16.41 | \$22.80 | \$47.43 | \$86.65 |
| Projected Deductible PMPM | \$2.14 | \$0.93 | \$0.41 | \$3.48 |
| Projected Copay PMPM | \$2.62 | \$1.39 | \$0.23 | \$4.24 |
| Projected Coinsurance PMPM | \$0.54 | \$0.64 | \$3.48 | \$4.66 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$2.96 | \$4.12 | \$12.37 |
| Projected Paid PMPM as of Q4 2018 | \$11.12 | \$19.84 | \$43.32 | \$74.28 |

| |
|---|
| Exhibit 2g -- Rx Trend Development - Non-HDHP 4Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 13,821

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 10,824 | 978 | 180 | 11,982 |
| Experience Period Allowed PMPM | \$21.05 | \$23.21 | \$55.08 | \$99.34 |
| Experience Period Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Experience Period Copay PMPM | \$4.51 | \$2.44 | \$0.37 | \$7.33 |
| Experience Period Coinsurance PMPM | \$0.51 | \$0.59 | \$4.88 | \$5.98 |
| Experience Period Cost Sharing PMPM | \$5.03 | \$3.03 | \$5.25 | \$13.31 |
| Experience Period Paid PMPM | \$16.03 | \$20.18 | \$49.83 | \$86.03 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.027 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.109 |
| Annual Deductible Trend | 1.000 | 1.000 | 1.000 | 1.000 |
| Annual Paid Trend | 1.037 | 1.168 | 1.171 | 1.146 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 11,386 | 1,005 | 207 | 12,599 |
| Projected Allowed PMPM as of Q4 2018 | \$22.48 | \$30.43 | \$74.40 | \$127.32 |
| Projected Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Projected Copay PMPM | \$4.75 | \$2.51 | \$0.43 | \$7.69 |
| Projected Coinsurance PMPM | \$0.55 | \$0.77 | \$6.59 | \$7.90 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$3.28 | \$7.02 | \$15.60 |
| Projected Paid PMPM as of Q4 2018 | \$17.19 | \$27.15 | \$67.38 | \$111.72 |

| |
|---|
| Exhibit 2h -- Rx Trend Development - HDHP 4Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017
Paid Through: February 28, 2018
Member Months: 12,363

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 7,402 | 550 | 61 | 8,014 |
| Experience Period Allowed PMPM | \$9.01 | \$10.88 | \$12.80 | \$32.69 |
| Experience Period Deductible PMPM | \$4.46 | \$1.93 | \$0.86 | \$7.25 |
| Experience Period Copay PMPM | \$0.22 | \$0.13 | \$0.00 | \$0.36 |
| Experience Period Coinsurance PMPM | \$0.49 | \$0.38 | \$0.00 | \$0.87 |
| Experience Period Cost Sharing PMPM | \$5.17 | \$2.44 | \$0.86 | \$8.48 |
| Experience Period Paid PMPM | \$3.83 | \$8.44 | \$11.94 | \$24.21 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.026 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.099 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.066 | 1.184 | 1.181 | 1.165 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 7,786 | 566 | 70 | 8,423 |
| Projected Allowed PMPM as of Q4 2018 | \$9.62 | \$14.27 | \$17.29 | \$41.18 |
| Projected Deductible PMPM | \$4.53 | \$1.96 | \$0.88 | \$7.37 |
| Projected Copay PMPM | \$0.24 | \$0.14 | \$0.00 | \$0.37 |
| Projected Coinsurance PMPM | \$0.52 | \$0.50 | \$0.00 | \$1.02 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$2.60 | \$0.88 | \$8.77 |
| Projected Paid PMPM as of Q4 2018 | \$4.33 | \$11.67 | \$16.41 | \$32.42 |

| |
|--|
| Exhibit 3a -- Claim Projection & Proposed Rate Change |
|--|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| |
|---|
| LG HMO Claim Projection and Proposed Rate Change |
|---|

Experience Period: November 1, 2016 - October 31, 2017

Completed Through: February 28, 2018

| | |
|---|-------------|
| Experience Period Member Months | 26,184 |
| 1) Experience Period Medical Claims PMPM | \$328.52 |
| 1a) Claims in Excess of \$100k over Experience Period | \$41.09 |
| 1b) Pooling Charge | 1.0916 |
| 2) IBNR Factor | 1.064 |
| 3) Experience Period Incurred Medical Claims <i>= [1) - 1a)] * 1b) * 2)</i> | \$333.81 |
| 4) Annual Medical Trend <i>Includes Paid Leveraging</i> | 1.028 |
| 5) Months of Trend to Q3 2018 | 20 |
| 6) NY State HCRA Surcharge | 0.25% |
| 7) Trended Incurred Medical Claims PMPM as of Q3 2018 <i>= [3) * 4) ^ [5) / 12]] * [1 + 6)]</i> | \$350.37 |
| 8) Experience Period Rx Claims PMPM | \$56.84 |
| 8a) Rx Claims in Excess of \$100k over Experience Period | \$6.30 |
| 8b) Pooling Charge | 1.0916 |
| 8c) Pharmacy Benefit Carve-in | \$0.35 |
| 9) Annual Rx Trend <i>Includes Paid Leveraging</i> | 1.147 |
| 10) Months of Trend to Q3 2018 | 20 |
| 11) Trended Gross Rx Claims PMPM as of Q3 2018 <i>= [8) - 8a) + 8c)] * 8b) * [9)] ^ [10) / 12]</i> | \$69.82 |
| 11a) Rx Rebates | (\$18.98) |
| 12) Trended Net Rx Claims PMPM as of Q3 2018 <i>= 11) + 11a)</i> | \$50.84 |
| 13) Capitations and Non-FFS Claim Expenses | \$7.15 |
| 14a) Industry Normalization Factor | 0.979 |
| 14b) Impact of Membership Growth/Decline on Experience Pd Claims | 0.998 |
| 15) Total Claim Cost as of Q3 2018 <i>= [[7) + 11)] * 14a) * 14b)] + 13)</i> | \$399.34 |
| 16) Projected Net Revenue Collected at Q2 2018 Rate Level | \$368.65 |
| 17) Proposed Quarterly Rate Change <i>= 15) / 16) - 1</i> | 8.3% |

| |
|--|
| Exhibit 3b -- Claim Projection & Proposed Rate Change |
|--|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| |
|---|
| LG HMO Claim Projection and Proposed Rate Change |
|---|

Experience Period: November 1, 2016 - October 31, 2017
Completed Through: February 28, 2018

| | | |
|--|---|-------------|
| Experience Period Member Months | 26,184 | |
| 1) Experience Period Medical Claims PMPM | \$328.52 | |
| 1a) Claims in Excess of \$100k over Experience Period | \$41.09 | |
| 1b) Pooling Charge | 1.0916 | |
| 2) IBNR Factor | 1.064 | |
| 3) Experience Period Incurred Medical Claims = [1) - 1a)] * 1b) * 2) | \$333.81 | |
| 4) Annual Medical Trend <i>Includes Paid Leveraging</i> | 1.028 | |
| 5) Months of Trend to Q4 2018 | 23 | |
| 6) NY State HCRA Surcharge | 0.25% | |
| 7) Trended Incurred Medical Claims PMPM as of Q4 2018 = [3) * 4) ^ [5) / 12]] * [1 + 6)] | \$352.91 | |
| 8) Experience Period Rx Claims PMPM | \$56.84 | |
| 8a) Rx Claims in Excess of \$100k over Experience Period | \$6.30 | |
| 8b) Pooling Charge | 1.0916 | |
| 8c) Pharmacy Benefit Carve-in | \$0.35 | |
| 9) Annual Rx Trend <i>Includes Paid Leveraging</i> | 1.150 | |
| 10) Months of Trend to Q4 2018 | 23 | |
| 11) Trended Gross Rx Claims PMPM as of Q4 2018 = [8) - 8a) + 8c)] * 8b) * [9)] ^ [10) / 12] | \$72.59 | |
| 11a) Rx Rebates | (\$19.19) | |
| 12) Trended Net Rx Claims PMPM as of Q4 2018 = 11) + 11a) | \$53.40 | |
| 13) Capitations and Non-FFS Claim Expenses | \$7.15 | |
| 14a) Industry Normalization Factor | 0.979 | |
| 14b) Impact of Membership Growth/Decline on Experience Pd Clai | 0.998 | |
| 15) Total Claim Cost as of Q4 2018 = [[7) + 11)] * 14a) * 14b)] + 13) | \$404.33 | |
| 16) Projected Claim Cost Q3 2018 <i>Based on distribution of experience period members</i> | \$399.34 | |
| 17) Proposed Quarterly Rate Change = 15) / 16) - 1 | <table border="1"> <tr> <td>1.2%</td> </tr> </table> | 1.2% |
| 1.2% | | |

| |
|---|
| Exhibit 4a -- Medical Manual Rates (Q3 2018) |
|---|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate | Annual Revenue Change |
|--------------|-------------|-------------|--------------|------------------------------|---------------------|-----------------------|--------------------------|
| VT3HMO087ZLN | VE2-087 | VE087L | HMO | \$463.73 | 8.3% | 8.3% | 3.8% |
| VT3HMO089ZLN | VE2-089 | VE089L | HMO | \$449.47 | 8.3% | 8.3% | 3.8% |
| VT3HMO091ZLE | VE2-091 | VE091L | HyHMO | \$365.39 | 8.3% | 8.3% | 3.8% |
| VT3HMO092ZLE | VE2-092 | VE092L | HyHMO | \$418.14 | 8.3% | 8.3% | 3.8% |
| VT3HMO093ZLE | VE2-093 | VE093L | HyHMO | \$382.49 | 8.3% | 8.3% | 3.8% |
| VT3HMO095ZLE | VE2-095 | VE095L | HyHMO | \$401.01 | 8.3% | 8.3% | 3.8% |
| VT3HMO100ZLE | VE2-100 | VE100L | HyHMO | \$376.76 | 8.3% | 8.3% | 3.8% |
| VT3HMO101ZLE | VE2-101 | VE101L | HyHMO | \$359.08 | 8.3% | 8.3% | 3.8% |
| VT3HMO103ZLE | VE2-103 | VE103L | HyHMO | \$395.30 | 8.3% | 8.3% | 3.8% |
| VT3HMO107ZLE | VE2-107 | VE107L | HyHMO | \$355.41 | 8.3% | 8.3% | 3.8% |
| VT3HMO110ZLE | VE2-110 | VE110L | HyHMO | \$365.39 | 8.3% | 8.3% | 3.8% |
| VT3HMO116ZLE | VE2-116 | VE116L | HyHMO | \$356.62 | 8.3% | 8.3% | 3.8% |
| VT3HMO117ZLE | VE2-117 | VE117L | HyHMO | \$265.19 | 8.3% | 8.3% | 3.8% |
| VT3HMO118ZLE | VE2-118 | N/A | HyHMO | \$311.42 | 8.3% | N/A | N/A |
| VT3HDH01AXL | VEHD2-01 | VEHD-01L | HDHMOagg | \$420.11 | 8.3% | 8.3% | 3.8% |
| VT3HDH02AXL | VEHD2-02 | VEHD-02L | HDHMOagg | \$374.66 | 8.3% | 8.3% | 3.8% |
| VT3HDH07AXL | VEHD2-07 | VEHD-07L | HDHMOagg | \$375.02 | 8.3% | 8.3% | 3.8% |
| VT3HDH08AXL | VEHD2-08 | VEHD-08L | HDHMOagg | \$343.90 | 8.3% | 8.3% | 3.8% |
| VT3HDH09AXL | VEHD2-09 | VEHD-09L | HDHMOagg | \$321.76 | 8.3% | 8.3% | 3.8% |
| VT3HDH15AXL | VEHD2-15 | VEHD-15L | HDHMOagg | \$324.36 | 8.3% | 8.3% | 3.8% |
| VT3HDH17AXL | VEHD2-17 | VEHD-17L | HDHMOagg | \$338.32 | 8.3% | 8.3% | 3.8% |
| VT3HDH19EXLE | VEHD2-19 | VEHD-19L | HDHMO | \$308.09 | 8.3% | 8.3% | 3.8% |
| VT3HDH41EXLE | VEHD2-41 | VEHD-41L | HDHMO | \$372.03 | 8.3% | 7.0% | 2.6% |
| VT3HDH43EXLE | VEHD2-43 | VEHD-43L | HDHMO | \$330.32 | 8.3% | 8.3% | 3.8% |
| VT3HDH46AXL | VEHD2-46 | VEHD-46L | HDHMOagg | \$347.52 | 8.3% | 8.3% | 3.8% |
| VT3HDH50EXLE | VEHD2-50 | VEHD-50L | HDHMO | \$281.20 | 8.3% | 8.3% | 3.8% |
| VT3HDH51EXLE | VEHD2-51 | N/A | HDHMO | \$279.31 | 8.3% | N/A | N/A |
| VT3HDH52AXL | N/A | N/A | HDHMOagg | \$293.72 | N/A | N/A | N/A |
| VT3HDH53EXLE | N/A | N/A | HDHMO | \$270.37 | N/A | N/A | N/A |

| |
|---|
| Exhibit 4a -- Medical Manual Rates (Q4 2018) |
|---|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change | Annual Revenue Change |
|------------|-------------|-------------|--------------|------------------------------|---------------------|------------------------------|--------------------------|
| VT3HMO087 | VE2-087 | VE087L | HMO | \$469.29 | 1.2% | 7.7% | 2.8% |
| VT3HMO089 | VE2-089 | VE089L | HMO | \$454.86 | 1.2% | 7.7% | 2.8% |
| VT3HMO091 | VE2-091 | VE091L | HyHMO | \$369.77 | 1.2% | 7.7% | 2.8% |
| VT3HMO092 | VE2-092 | VE092L | HyHMO | \$423.16 | 1.2% | 7.7% | 2.8% |
| VT3HMO093 | VE2-093 | VE093L | HyHMO | \$387.08 | 1.2% | 7.7% | 2.8% |
| VT3HMO095 | VE2-095 | VE095L | HyHMO | \$405.82 | 1.2% | 7.7% | 2.8% |
| VT3HMO100 | VE2-100 | VE100L | HyHMO | \$381.28 | 1.2% | 7.7% | 2.8% |
| VT3HMO101 | VE2-101 | VE101L | HyHMO | \$363.39 | 1.2% | 7.7% | 2.8% |
| VT3HMO103 | VE2-103 | VE103L | HyHMO | \$400.04 | 1.2% | 7.7% | 2.8% |
| VT3HMO107 | VE2-107 | VE107L | HyHMO | \$359.67 | 1.2% | 7.7% | 2.8% |
| VT3HMO110 | VE2-110 | VE110L | HyHMO | \$369.77 | 1.2% | 7.7% | 2.8% |
| VT3HMO116 | VE2-116 | VE116L | HyHMO | \$360.90 | 1.2% | 7.7% | 2.8% |
| VT3HMO117 | VE2-117 | VE117L | HyHMO | \$268.37 | 1.2% | 7.7% | 2.8% |
| VT3HMO118 | VE2-118 | N/A | HyHMO | \$315.16 | 1.2% | N/A | N/A |
| VT3HDH01AX | VEHD2-01 | VEHD-01L | HDHMOagg | \$425.15 | 1.2% | 7.7% | 2.8% |
| VT3HDH02AX | VEHD2-02 | VEHD-02L | HDHMOagg | \$379.16 | 1.2% | 7.7% | 2.8% |
| VT3HDH07AX | VEHD2-07 | VEHD-07L | HDHMOagg | \$379.52 | 1.2% | 7.7% | 2.8% |
| VT3HDH08AX | VEHD2-08 | VEHD-08L | HDHMOagg | \$348.03 | 1.2% | 7.7% | 2.8% |
| VT3HDH09AX | VEHD2-09 | VEHD-09L | HDHMOagg | \$325.62 | 1.2% | 7.7% | 2.8% |
| VT3HDH15AX | VEHD2-15 | VEHD-15L | HDHMOagg | \$328.25 | 1.2% | 7.7% | 2.8% |
| VT3HDH17AX | VEHD2-17 | VEHD-17L | HDHMOagg | \$342.38 | 1.2% | 7.7% | 2.8% |
| VT3HDH19EX | VEHD2-19 | VEHD-19L | HDHMO | \$311.79 | 1.2% | 7.7% | 2.8% |
| VT3HDH41EX | VEHD2-41 | VEHD-41L | HDHMO | \$376.49 | 1.2% | 6.4% | 1.6% |
| VT3HDH43EX | VEHD2-43 | VEHD-43L | HDHMO | \$334.28 | 1.2% | 7.7% | 2.8% |
| VT3HDH46AX | VEHD2-46 | VEHD-46L | HDHMOagg | \$351.69 | 1.2% | 7.7% | 2.8% |
| VT3HDH50EX | VEHD2-50 | VEHD-50L | HDHMO | \$284.57 | 1.2% | 7.7% | 2.8% |
| VT3HDH51EX | VEHD2-51 | N/A | HDHMO | \$282.66 | 1.2% | N/A | N/A |
| VT3HDH52AX | N/A | N/A | HDHMOagg | \$297.24 | 1.2% | N/A | N/A |
| VT3HDH53EX | N/A | N/A | HDHMO | \$273.61 | 1.2% | N/A | N/A |

Exhibit 4b -- Medical Riders (Q3 2018)

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| Form Name | HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|-----------------|-----------------|--------------------|--------------------|--|--------------|---------------------------|------------------|---------------------------|
| YV3H[MB/DH]301L | YV3HMB301L | V2-301 | V301 | Vision Exam 1 Every 2 Calendar Yr | HMO | \$3.75 | 8.4% | 8.3% |
| MV3H[MB/DH]305L | MV3HMB305L | V2-305L | V305L | Advanced Infertility Services - (Large Only) | HMO | \$5.01 | 8.2% | 8.1% |
| MV3H[MB/DH]306L | MV3HMB306L | V2-306 | V306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HMO | \$4.72 | 8.3% | 8.2% |
| MV3H[MB/DH]307L | MV3HMB307L | V2-307 | V307 | Exclusion For Elective Abortions | HMO | (\$0.19) | 5.6% | 0.9% |
| MV3HMB309L | MV3HMB309L-c | V2-309L-c | V309L-c | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans | HMO | \$4.05 | 8.3% | 8.2% |
| MV3HMB309L | MV3HMB309L-d | V2-309L-d | V309L-d | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans | HMO | \$4.66 | 8.4% | 8.4% |
| MV3HMB309L | MV3HMB309L-e | V2-309L-e | V309L-e | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans | HMO | \$9.39 | 8.3% | 8.4% |
| MV3HMB309L | MV3HMB309L-f | V2-309L-f | V309L-f | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans | HMO | \$9.92 | 8.3% | 8.4% |
| MV3HMB309L | MV3HMB309L-g | V2-309L-g | V309L-g | Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans | HMO | \$13.39 | 8.3% | 8.4% |
| YV3H[MB/DH]310L | YV3HMB310L | V2-310 | V310 | Annual Vision Exam - Per Calendar Yr | HMO | \$6.94 | 8.3% | 8.4% |
| DV3H[MB/DH]312L | DV3HMB312L | V2-312 | V312 | Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only | HMO | \$0.91 | 8.3% | 7.4% |
| YV3H[MB/DH]312 | YV3HMB312L | N/A | N/A | Exam & Hardware | HMO | 0.5% | n/a | n/a |
| MV3H[MB/DH]316L | MV3HMB316L | V2-316 | V316 | Disposable Medical Supplies | HMO | \$1.03 | 8.4% | 8.2% |
| MV3H[MB/DH]317L | MV3HMB317L | V2-317 | V317 | Changes Contract Yr To Calendar Year | HMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]334L | MV3HMB334L | N/A | N/A | Wellstyles Program | HMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]335L | MV3HMB335L | N/A | N/A | Member Discount Program | HMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]346L | YV3HMB346L | N/A | N/A | Annual Vision Exam - Per Calendar Yr | HMO | \$6.94 | n/a | n/a |
| MV3H[MB/DH]356L | MV3HMB356L | V2-356 | V356 | Deductible Carryover Rider | HMO | \$4.39 | 8.4% | n/a |
| GV3H[MB/DH]700 | GV3HMB700L | V2-700 | V700 | Domestic Partners (Same And Opp Sex) | HMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]312 | YV3HMB312L | VEHD2-312 | VEHD 312 | Exam & Hardware | HDHMO | 0.5% | n/a | n/a |
| YV3H[MB/DH]301L | YV3HMB301L | N/A | N/A | Vision Exam 1 Every 2 Calendar Yr | HDHMO | \$3.75 | n/a | n/a |
| MV3H[MB/DH]305L | MV3HMB305L | VHD2-305L | VHD305L | Advanced Infertility Services - (Large Only) | HDHMO | \$4.96 | 8.3% | 8.3% |
| MV3H[MB/DH]306L | MV3HMB306L | VHD2-306 | VHD306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HDHMO | \$5.04 | 8.4% | 8.3% |
| MV3H[MB/DH]307L | MV3HMB307L | VHD2-307 | VHD307 | Exclusion For Elective Abortions | HDHMO | (\$0.17) | 6.3% | 8.3% |
| YV3H[MB/DH]310L | YV3HMB310L | N/A | N/A | Annual Vision Exam - Per Calendar Yr | HDHMO | \$6.94 | n/a | n/a |
| DV3H[MB/DH]312L | DV3HMB312L | N/A | N/A | Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only | HDHMO | \$0.91 | n/a | n/a |
| MV3H[MB/DH]316L | MV3HMB316L | VHD2-316 | VHD316 | Disposable Medical Supplies | HDHMO | \$0.67 | 8.1% | 8.6% |
| MV3H[MB/DH]317L | MV3HMB317L | VHD2-317 | VHDC317 | Changes Contract Yr To Calendar Year | HDHMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]334L | MV3HMB334L | N/A | N/A | Wellstyles Program | HDHMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]335L | MV3HMB335L | N/A | N/A | Member Discount Program | HDHMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]346L | YV3HMB346L | VHD2-346 | New Rider for 2018 | Annual Vision Exam - Per Calendar Yr | HDHMO | \$6.94 | 8.3% | n/a |
| MV3H[MB/DH]356L | MV3HMB356L | VHD2-356 | VHD356L | Deductible Carryover Rider | HDHMO | \$8.78 | 8.3% | n/a |
| GV3H[MB/DH]700 | GV3HMB700L | VHD700 | VHD700 | Domestic Partners (Same And Opp Sex) | HDHMO | \$0.00 | n/a | n/a |
| RXVT3HMH510 | RXVT3HMH510L-a | VHD2-510-a | VHD510-a | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH01AXL) | HDHMO | \$1.75 | 8.0% | 7.9% |
| RXVT3HMH510 | RXVT3HMH510L-b | VHD2-510-b | VHD510-b | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH02AXL) | HDHMO | \$4.64 | 8.4% | 8.5% |
| RXVT3HMH510 | RXVT3HMH510L-g | VHD2-510-g | VHD510-g | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH07AXL) | HDHMO | \$2.80 | 8.1% | 8.4% |
| RXVT3HMH510 | RXVT3HMH510L-h | VHD2-510-h | VHD510-h | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH08AXL) | HDHMO | \$3.68 | 8.2% | 8.3% |
| RXVT3HMH510 | RXVT3HMH510L-i | VHD2-510-i | VHD510-i | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH09AXL) | HDHMO | \$5.57 | 8.4% | 8.5% |
| RXVT3HMH510 | RXVT3HMH510L-o | VHD2-510-o | VHD510-o | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH15AXL) | HDHMO | \$3.70 | 8.2% | 8.2% |
| RXVT3HMH510 | RXVT3HMH510L-q | VHD2-510-q | VHD510-q | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH17AXL) | HDHMO | \$4.64 | 8.4% | 8.5% |
| RXVT3HMH510 | RXVT3HMH510L-s | VHD2-510-s | VHD510-s | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH19EXLE) | HDHMO | \$14.78 | 8.3% | 8.4% |
| RXVT3HMH510 | RXVT3HMH510L-aa | VHD2-510-aa | VHD510-aa | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH41EXLE) | HDHMO | \$7.29 | 8.3% | 12.6% |
| RXVT3HMH510 | RXVT3HMH510L-ac | VHD2-510-ac | VHD510-ac | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH43EXLE) | HDHMO | \$10.92 | 8.3% | 8.3% |
| RXVT3HMH510 | RXVT3HMH510L-af | VHD2-510-af | VHD510-af | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH46AXL) | HDHMO | \$8.22 | 8.3% | 8.2% |
| RXVT3HMH510 | RXVT3HMH510L-ak | VHD2-510-ak | VHD510-ak | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH50EXLE) | HDHMO | \$16.91 | 8.3% | 8.4% |
| RXVT3HMH510 | RXVT3HMH510L-al | VHD2-510-al | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH51EXLE) | HDHMO | \$17.99 | 8.3% | n/a |
| RXVT3HMH510 | RXVT3HMH510L-am | New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH52AXL) | HDHMO | \$6.59 | n/a | n/a |
| RXVT3HMH510 | RXVT3HMH510L-an | New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HMH53EXLE) | HDHMO | \$18.01 | n/a | n/a |

Exhibit 4b -- Medical Riders (Q4 2018)

Large Group VT HMO AR44 Rate Filing
 For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| Form Name | HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|-----------------|-----------------|--------------------|--------------------|--|--------------|---------------------------|------------------|---------------------------|
| YV3H[MB/DH]301L | YV3HMB301L | V2-301 | V301 | Vision Exam 1 Every 2 Calendar Yr | HMO | \$3.80 | 1.3% | 8.0% |
| MV3H[MB/DH]305L | MV3HMB305L | V2-305L | V305L | Advanced Infertility Services - (Large Only) | HMO | \$5.07 | 1.2% | 7.4% |
| MV3H[MB/DH]306L | MV3HMB306L | V2-306 | V306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HMO | \$4.78 | 1.3% | 7.7% |
| MV3H[MB/DH]307L | MV3HMB307L | V2-307 | V307 | Exclusion For Elective Abortions | HMO | (\$0.19) | 0.0% | 0.0% |
| MV3HMB309L | MV3HMB309L-c | V2-309L-c | V309L-c | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plans | HMO | \$4.10 | 1.2% | 7.6% |
| MV3HMB309L | MV3HMB309L-d | V2-309L-d | V309L-d | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plans | HMO | \$4.72 | 1.3% | 7.8% |
| MV3HMB309L | MV3HMB309L-e | V2-309L-e | V309L-e | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plans | HMO | \$9.50 | 1.2% | 7.7% |
| MV3HMB309L | MV3HMB309L-f | V2-309L-f | V309L-f | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plans | HMO | \$10.04 | 1.2% | 7.7% |
| MV3HMB309L | MV3HMB309L-g | V2-309L-g | V309L-g | Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plans | HMO | \$13.55 | 1.2% | 7.7% |
| YV3H[MB/DH]310L | YV3HMB310L | V2-310 | V310 | Annual Vision Exam - Per Calendar Yr | HMO | \$7.02 | 1.2% | 7.7% |
| DV3H[MB/DH]312L | DV3HMB312L | V2-312 | V312 | Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only | HMO | \$0.92 | 1.1% | 7.0% |
| YV3H[MB/DH]312 | YV3HMB312L | N/A | N/A | Exam & Hardware | HMO | 0.5% | n/a | n/a |
| MV3H[MB/DH]316L | MV3HMB316L | V2-316 | V316 | Disposable Medical Supplies | HMO | \$1.04 | 1.0% | 7.2% |
| MV3H[MB/DH]317L | MV3HMB317L | V2-317 | V317 | Changes Contract Yr To Calendar Year | HMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]334L | MV3HMB334L | N/A | N/A | Wellstyles Program | HMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]335L | MV3HMB335L | N/A | N/A | Member Discount Program | HMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]346L | YV3HMB346L | N/A | N/A | Annual Vision Exam - Per Calendar Yr | HMO | \$7.02 | 1.2% | n/a |
| MV3H[MB/DH]356L | MV3HMB356L | V2-356 | V356 | Deductible Carryover Rider | HMO | \$4.44 | 1.1% | n/a |
| GV3H[MB/DH]700 | GV3HMB700L | V2-700 | V700 | Domestic Partners (Same And Opp Sex) | HMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]312 | YV3HDH312L | VEHD2-312 | VEHD 312 | Exam & Hardware | HDHMO | 0.5% | n/a | n/a |
| YV3H[MB/DH]301L | YV3HDH301L | N/A | N/A | Vision Exam 1 Every 2 Calendar Yr | HDHMO | \$3.80 | 1.3% | n/a |
| MV3H[MB/DH]305L | MV3HDH305L | VHD2-305L | VHD305L | Advanced Infertility Services - (Large Only) | HDHMO | \$5.02 | 1.2% | 7.7% |
| MV3H[MB/DH]306L | MV3HDH306L | VHD2-306 | VHD306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HDHMO | \$5.10 | 1.2% | 7.6% |
| MV3H[MB/DH]307L | MV3HDH307L | VHD2-307 | VHD307 | Exclusion For Elective Abortions | HDHMO | (\$0.17) | 0.0% | 6.3% |
| YV3H[MB/DH]310L | YV3HDH310L | N/A | N/A | Annual Vision Exam - Per Calendar Yr | HDHMO | \$7.02 | 1.2% | n/a |
| DV3H[MB/DH]312L | DV3HDH312L | N/A | N/A | Dme, External Pros/Ostomy Buy - Up To 80% In-Network Only | HDHMO | \$0.92 | 1.1% | n/a |
| MV3H[MB/DH]316L | MV3HDH316L | VHD2-316 | VHD316 | Disposable Medical Supplies | HDHMO | \$0.68 | 1.5% | 7.9% |
| MV3H[MB/DH]317L | MV3HDH317L | VHD2-317 | VHDC317 | Changes Contract Yr To Calendar Year | HDHMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]334L | MV3HDH334L | N/A | N/A | Wellstyles Program | HDHMO | \$0.00 | n/a | n/a |
| MV3H[MB/DH]335L | MV3HDH335L | N/A | N/A | Member Discount Program | HDHMO | \$0.00 | n/a | n/a |
| YV3H[MB/DH]346L | YV3HDH346L | VHD2-346 | New Rider for 2018 | Annual Vision Exam - Per Calendar Yr | HDHMO | \$7.02 | 1.2% | n/a |
| MV3H[MB/DH]356L | MV3HDH356L | VHD2-356 | VHD356L | Deductible Carryover Rider | HDHMO | \$8.89 | 1.3% | n/a |
| GV3H[MB/DH]700 | GV3HDH700L | VHD700 | VHD700 | Domestic Partners (Same And Opp Sex) | HDHMO | \$0.00 | n/a | n/a |
| RXVT3HDH510 | RXVT3HDH510L-a | VHD2-510-a | VHD510-a | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH01AXL) | HDHMO | \$1.77 | 1.1% | 7.3% |
| RXVT3HDH510 | RXVT3HDH510L-b | VHD2-510-b | VHD510-b | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH02AXL) | HDHMO | \$4.70 | 1.3% | 7.8% |
| RXVT3HDH510 | RXVT3HDH510L-g | VHD2-510-g | VHD510-g | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH07AXL) | HDHMO | \$2.83 | 1.1% | 7.6% |
| RXVT3HDH510 | RXVT3HDH510L-h | VHD2-510-h | VHD510-h | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH08AXL) | HDHMO | \$3.72 | 1.1% | 7.5% |
| RXVT3HDH510 | RXVT3HDH510L-i | VHD2-510-i | VHD510-i | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH09AXL) | HDHMO | \$5.64 | 1.3% | 7.8% |
| RXVT3HDH510 | RXVT3HDH510L-o | VHD2-510-o | VHD510-o | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH15AXL) | HDHMO | \$3.74 | 1.1% | 7.5% |
| RXVT3HDH510 | RXVT3HDH510L-q | VHD2-510-q | VHD510-q | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH17AXL) | HDHMO | \$4.70 | 1.3% | 7.8% |
| RXVT3HDH510 | RXVT3HDH510L-s | VHD2-510-s | VHD510-s | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH19EXLE) | HDHMO | \$14.96 | 1.2% | 7.7% |
| RXVT3HDH510 | RXVT3HDH510L-aa | VHD2-510-aa | VHD510-aa | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH41EXLE) | HDHMO | \$7.38 | 1.2% | 12.0% |
| RXVT3HDH510 | RXVT3HDH510L-ac | VHD2-510-ac | VHD510-ac | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH43EXLE) | HDHMO | \$11.05 | 1.2% | 7.7% |
| RXVT3HDH510 | RXVT3HDH510L-af | VHD2-510-af | VHD510-af | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH46AXL) | HDHMO | \$8.32 | 1.2% | 7.6% |
| RXVT3HDH510 | RXVT3HDH510L-ak | VHD2-510-ak | VHD510-ak | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH50EXLE) | HDHMO | \$17.11 | 1.2% | 7.7% |
| RXVT3HDH510 | RXVT3HDH510L-al | VHD2-510-al | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH51EXLE) | HDHMO | \$18.21 | 1.2% | n/a |
| RXVT3HDH510 | RXVT3HDH510L-am | New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH52AXL) | HDHMO | \$6.67 | 1.2% | n/a |
| RXVT3HDH510 | RXVT3HDH510L-an | New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HDH53EXLE) | HDHMO | \$18.23 | 1.2% | n/a |

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| Exhibit 4c -- Rx Riders (Q3 2018) |
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Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| Form Name | HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|-------------------|---------------|------------|------------|-----------------------------------|--------------|---------------------------|------------------|---------------------------|
| RXVT3HMB500ZL | RXVT3HMB500ZL | V2-500 | V500 | \$10/\$30/\$50 | HMO | \$50.68 | 8.3% | 8.3% |
| RXVT3HMB501ZL | RXVT3HMB501ZL | V2-501 | V501 | \$10/30%/50% | HMO | \$44.45 | 8.3% | 8.4% |
| RXVT3HMB502ZL | RXVT3HMB502ZL | V2-502 | V502 | 50% | HMO | \$39.65 | 8.3% | 8.3% |
| RXVT3HMB605ZL | RXVT3HMB605ZL | V2-605 | V605 | \$5/\$45/\$90 - \$250 Brand Ded | HMO | \$45.25 | 8.3% | 8.3% |
| RXVT3H[MB/DH]550L | RXVT3HDH550L | N/A | N/A | Removes MAC Pricing | HMO | \$0.83 | n/a | n/a |
| RXVT3H[MB/DH]551L | RXVT3HDH551L | N/A | N/A | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | n/a | n/a |
| RXVT3H[MB/DH]550L | RXVT3HMB550L | V2-550L | V550L | Removes MAC Pricing | HMO | \$0.83 | 7.8% | 7.8% |
| RXVT3H[MB/DH]551L | RXVT3HMB551L | V2-551L | V551L | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | 9.4% | 9.4% |

Exhibit 4c -- Rx Riders (Q4 2018)

Large Group VT HMO AR44 Rate Filing
 For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| Form Name | HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|-------------------|---------------|------------|------------|-----------------------------------|--------------|---------------------------|------------------|---------------------------|
| RXVT3HMB500ZL | RXVT3HMB500ZL | V2-500 | V500 | \$10/\$30/\$50 | HMO | \$51.29 | 1.2% | 7.7% |
| RXVT3HMB501ZL | RXVT3HMB501ZL | V2-501 | V501 | \$10/30%/50% | HMO | \$44.98 | 1.2% | 7.7% |
| RXVT3HMB502ZL | RXVT3HMB502ZL | V2-502 | V502 | 50% | HMO | \$40.13 | 1.2% | 7.7% |
| RXVT3HMB605ZL | RXVT3HMB605ZL | V2-605 | V605 | \$5/\$45/\$90 - \$250 Brand Ded | HMO | \$45.79 | 1.2% | 7.7% |
| RXVT3H[MB/DH]550L | RXVT3HDH550L | N/A | N/A | Removes MAC Pricing | HMO | \$0.84 | 1.2% | n/a |
| RXVT3H[MB/DH]551L | RXVT3HDH551L | N/A | N/A | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | 0.0% | n/a |
| RXVT3H[MB/DH]550L | RXVT3HMB550L | V2-550L | V550L | Removes MAC Pricing | HMO | \$0.84 | 1.2% | 7.7% |
| RXVT3H[MB/DH]551L | RXVT3HMB551L | V2-551L | V551L | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | 0.0% | 6.1% |



AMENDMENT TO RATE FILING
3Q and 4Q 2018 MVPHP Large Group Filing

To Whom It May Concern:

MVP has filed an amended version of its 2018 3Q/4Q 2018 Large Group rate filing (SERFF# MVPH-131435335). This filing was originally submitted on Friday, March 23, 2018. The following changes have been made to the original rate filing:

Exhibit 1

-The deductible and maximum OOP for plan VT3HDH41EXLE have been updated from \$2,600 to \$2,700. This change was enacted effective Q1 2018 to plan VEHD2-41, but was not updated on the plan summary page. No changes to the manual rates are necessary since the change was already made in a previous filing.

Exhibit 6b

-MVP has added the following riders to the filing: DV3HDH312L, YV3HDH301L, YV3HDH310L, YV3HMB346L, and YV3HMB312L. These have been added to ensure MVP has rider versions on file that can attach to both the HMO Certificate of Coverage (COC) as well as the HDHP COC. All of these riders have been priced to match the corresponding rider that was already on file (for example, DV3HDH312L matches DV3HMB312L).

-MVP has added rider MV3H[MB/DH]334L that adds a wellness program to the base benefit. This rider is attached to every group's base benefit and the cost is reflected within the medical claim cost presented in the experience period. Therefore, we are adding this rider at \$0.00 for completeness.

-MVP has added rider MV3H[MB/DH]335L that adds a discount program for services such as Acupuncture, Chiropractic, Dietetic, Exercise Center, Fitness Club, and Massage Therapy. MVP does not have data to make an adequate determination of utilization and the network of providers is limited. Therefore, MVP is adding this rate at \$0.00.

-MVP has added a column for the name of the form filed by MVP for each rider and rider version.

Exhibit 6c

-Similar to the first bullet point above, MVP has filed pharmacy riders RXVT3HMB550L and RXVT3HMB551L to ensure completeness for both qualified and non-qualified plans.

-MVP has added a column for the name of the form filed by MVP for each rider and rider version.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Bachner', written over a horizontal line.

Eric Bachner, ASA
Senior Actuarial Analyst
MVP Health Care, Inc.

03/29/2018

Date

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: 03/23/2018

State: VermontGMCB
TOI/Sub-TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)/HOrg02G.003B Large Group Only - POS
Product Name: VT LG HMO 3Q/4Q 2018
Project Name/Number: /

Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

| Creation Date | Schedule Item Status | Schedule | Schedule Item Name | Replacement Creation Date | Attached Document(s) |
|---------------|----------------------|---------------------|----------------------|---------------------------|---|
| 03/23/2018 | | Supporting Document | Actuarial Memorandum | 03/29/2018 | 3Q 2018 ACT MEMO HMO Large Group.pdf 3Q 2018 Experience Rating Formula Filing Exhibits A&B - Vermont.pdf Appendices A- C - 3Q 2018 SERFF.xlsx Appendices A- C - 3Q 2018.pdf Certification of Compliance - VT.pdf Impact of Membership Growth_Decline on Experience Pd Claims.pdf Impact of Membership Growth_Decline on Experience Pd Claims.xlsx MVP Health Care - Experience Formula effective 7.1.18_VT.pdf Rolling 12 Medical and Rx Data - LG.pdf Rolling 12 Medical and Rx Data - LG.xlsx VT LG HMO Q3 & Q4 2018 Rate Filing SERFF.pdf (Superseded) VT LG HMO Q3 & Q4 2018 Rate Filing SERFF.xlsx (Superseded) VT Experience Rated Addendum - 3Q 2018.pdf |

SERFF Tracking #:

MVPH-131435335

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 3Q/4Q 2018

Project Name/Number:

/

Attachment VT LG HMO Q3 & Q4 2018 Rate Filing SERFF.xlsx is not a PDF document and cannot be reproduced here.



MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - December 31, 2018

- Exhibit 1 -- Summary of Medical Coplans Offered
- Exhibit 2a -- 3Q 2018 Pricing Trend Assumptions
- Exhibits 2b-2d -- 3Q 2018 Rx Paid Trend Development
- Exhibit 2e -- 4Q 2018 Pricing Trend Assumptions
- Exhibits 2f-2h -- 4Q 2018 Rx Paid Trend Development
- Exhibit 3a -- 3Q 2018 Claim Projection and Proposed Rate Change
- Exhibit 3b -- 4Q 2018 Claim Projection and Proposed Rate Change
- Exhibit 4a -- Medical Manual Rates
- Exhibit 4b -- Medical Rider Rates
- Exhibit 4c -- Rx Rider Rates

Exhibit 1 -- Summary of Medical Coplans Offered

Large Group VT HMO AR44 Rate Filing
 For Effective Dates Beginning Between July 1, 2018 - December 31, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | In-Network Benefits | | | | | | | | | | Pharmacy |
|--------------|-------------|-------------|--------------|---------------------|------|---------------|-------|---------|-----|-------|---------|--------|---------|----------------------|
| | | | | PCP | SCP | IP (Med/Surg) | ER | OP Surg | DME | Amb | Ded | Coins. | OOP Max | |
| VT3HMO087ZLN | VE2-087 | VE087L | HMO | \$25 | \$40 | \$500 | \$100 | \$150 | 50% | \$100 | \$0 | 0% | \$5,300 | Riders Available |
| VT3HMO089ZLN | VE2-089 | VE089L | HMO | \$30 | \$50 | \$1,000 | \$100 | \$150 | 50% | \$100 | \$0 | 0% | \$5,300 | Riders Available |
| VT3HMO091ZLE | VE2-091 | VE091L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO092ZLE | VE2-092 | VE092L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$2,000 | Riders Available |
| VT3HMO093ZLE | VE2-093 | VE093L | HyHMO | \$20 | \$20 | 20% | \$100 | 20% | 50% | 20% | \$2,000 | 20% | \$4,000 | Riders Available |
| VT3HMO095ZLE | VE2-095 | VE095L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$3,000 | Riders Available |
| VT3HMO100ZLE | VE2-100 | VE100L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$2,000 | 20% | \$4,000 | Riders Available |
| VT3HMO101ZLE | VE2-101 | VE101L | HyHMO | \$25 | \$40 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO103ZLE | VE2-103 | VE103L | HyHMO | \$30 | \$50 | 20% | \$100 | 20% | 50% | 20% | \$1,000 | 20% | \$3,000 | Riders Available |
| VT3HMO107ZLE | VE2-107 | VE107L | HyHMO | \$30 | \$50 | 20% | \$100 | 20% | 50% | 20% | \$3,000 | 20% | \$5,300 | Riders Available |
| VT3HMO110ZLE | VE2-110 | VE110L | HyHMO | \$30 | \$30 | 20% | \$200 | 20% | 50% | 20% | \$2,000 | 20% | \$5,300 | Riders Available |
| VT3HMO116ZLE | VE2-116 | VE116L | HyHMO | \$30 | \$50 | \$0 | \$200 | \$0 | 50% | \$0 | \$5,000 | 0% | \$5,300 | Riders Available |
| VT3HMO117ZLE | VE2-117 | VE117L | HyHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$1 | \$0 | \$5,000 | 0% | \$5,000 | Riders Available |
| VT3HMO118ZLE | VE2-118 | N/A | HyHMO | \$30 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000 | 0% | \$4,000 | Riders Available |
| VT3HDH01AXL | VEHD2-01 | VEHD-01L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,500 | 0% | \$2,500 | \$10/\$30/\$50 |
| VT3HDH02AXL | VEHD2-02 | VEHD-02L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,500 | 0% | \$3,500 | \$10/\$30/\$50 |
| VT3HDH07AXL | VEHD2-07 | VEHD-07L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$1,500 | 20% | \$3,000 | 20%/20%/40% |
| VT3HDH08AXL | VEHD2-08 | VEHD-08L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,000 | 20% | \$4,000 | 20%/20%/40% |
| VT3HDH09AXL | VEHD2-09 | VEHD-09L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,500 | 20% | \$5,000 | 20%/20%/40% |
| VT3HDH15AXL | VEHD2-15 | VEHD-15L | HDHMOagg | 20% | 20% | 20% | 20% | 20% | 20% | 20% | \$2,500 | 20% | \$5,000 | 50% |
| VT3HDH17AXL | VEHD2-17 | VEHD-17L | HDHMOagg | \$30 | \$50 | \$500 | \$150 | \$200 | 50% | \$150 | \$2,500 | 0% | \$5,000 | \$10/\$30/\$50 |
| VT3HDH19EXLE | VEHD2-19 | VEHD-19L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 | \$5,000 | 0% | \$5,000 | \$0 after Deductible |
| VT3HDH41EXLE | VEHD2-41 | VEHD-41L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 | \$2,600 | 0% | \$2,600 | \$0 after Deductible |
| VT3HDH43EXLE | VEHD2-43 | VEHD-43L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$4,000 | 0% | \$4,000 | \$0 after Deductible |
| VT3HDH46AXL | VEHD2-46 | VEHD-46L | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,000 | 0% | \$3,000 | \$0 after Deductible |
| VT3HDH50EXLE | VEHD2-50 | VEHD-50L | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,550 | 0% | \$6,550 | \$0 after Deductible |
| VT3HDH51EXLE | VEHD2-51 | N/A | HDHMO | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,650 | 0% | \$6,650 | \$0 after Deductible |
| VT3HDH52AXL | N/A | N/A | HDHMOagg | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,000 | 30% | \$6,000 | 30%/30%/50% |
| VT3HDH53EXLE | N/A | N/A | HDHMO | 0 | 0 | \$0 | \$0 | \$0 | 0% | \$0 | \$7,350 | 0% | \$7,350 | \$0 after Deductible |

Exhibit 2a -- Pricing Trend Assumptions -- 3Q Projection

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| | |
|--------------------|-------------------------------------|
| Experience Period: | November 1, 2016 - October 31, 2017 |
| Rating Period: | July 1, 2018 - June 30, 2019 |

| Months of Trend | 2017 | 2018 | 2019 | Total |
|-----------------|------|------|------|-------|
| | 2 | 12 | 6 | 20 |

Medical Trend Summary

2017 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-----------|-------------|-------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.4% | 4.2% | 0.0% | 4.2% |
| OP and Other Med | 46.3% | 3.9% | 0.0% | 3.9% |
| PHY | 31.3% | -2.4% | 0.0% | -2.4% |
| Medical Total | | 2.0% | 0.0% | 2.0% |

2018 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-----------|-------------|-------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.5% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 46.4% | 4.7% | 0.0% | 4.7% |
| PHY | 31.1% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.5% | 0.0% | 2.5% |

2019 Annual Trend

| | % of Allowed | | | |
|----------------------|--------------|-----------|-------------|-------|
| | Claims | Unit Cost | Utilization | Total |
| IP | 23.0% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 47.4% | 4.7% | 0.0% | 4.7% |
| PHY | 29.5% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.6% | 0.0% | 2.6% |

Leveraging Impact - Large Group Non-HDHP Fee-For-Service Medical Claims

| Member Months | 13,821 | | | | |
|----------------------------|----------|-------------|---------|------------|----------|
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$471.54 | \$12.35 | \$17.30 | \$26.36 | \$415.54 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.000 | 1.046 |
| Projection Period: | \$491.05 | \$12.86 | \$17.30 | \$26.36 | \$434.54 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | | 2.7% | | | |
| Leveraging (Annual) | | 0.3% | | | |

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

| Member Months | 12,363 | | | | |
|----------------------------|----------|-------------|--------|------------|----------|
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$362.40 | \$8.41 | \$0.00 | \$78.27 | \$275.71 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.014 | 1.049 |
| Projection Period: | \$377.39 | \$8.75 | \$0.00 | \$79.37 | \$289.26 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | | 2.9% | | | |
| Leveraging (Annual) | | 0.4% | | | |

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

| | Allowed | Coinsurance | Copay | Deductible | Paid* |
|----------------------------|----------|-------------|--------|------------|----------|
| Experience Period: | \$420.01 | \$10.49 | \$9.13 | \$50.87 | \$349.52 |
| 20 Months of Trend: | 1.041 | 1.041 | 1.000 | 1.010 | 1.047 |
| Projection Period: | \$437.38 | \$10.92 | \$9.13 | \$51.39 | \$365.94 |
| Allowed Trend (Annual) | 2.5% | | | | |
| Paid Trend (Annual) | | 2.8% | | | |
| Leveraging (Annual) | | 0.3% | | | |

ignores impact of removing high cost claims and replacing with pooling charge. Paid projection will not tie out to FFS claim projection on Tab 30 unless these adjustments are taken into account.

Rx Trend Summary

| | 2017 Trend | | 2018 Trend | | 2019 Trend | |
|-----------|------------|-------------|------------|-------------|------------|-------------|
| | Unit Cost | Utilization | Unit Cost | Utilization | Unit Cost | Utilization |
| Generic | -8.3% | 0.8% | -0.4% | 2.7% | 4.6% | 3.1% |
| Brand | 9.9% | -4.4% | 14.9% | 2.5% | 12.5% | 1.4% |
| Specialty | 10.9% | 9.6% | 6.9% | 7.5% | 10.6% | 7.4% |

| |
|--|
| Exhibit 2b -- Rx Trend Development - 3Q |
|--|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 26,184

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 9,209 | 776 | 124 | 10,108 |
| Experience Period Allowed PMPM | \$15.36 | \$17.39 | \$35.12 | \$67.87 |
| Experience Period Deductible PMPM | \$2.11 | \$0.91 | \$0.41 | \$3.42 |
| Experience Period Copay PMPM | \$2.49 | \$1.35 | \$0.20 | \$4.04 |
| Experience Period Coinsurance PMPM | \$0.50 | \$0.49 | \$2.57 | \$3.57 |
| Experience Period Cost Sharing PMPM | \$5.10 | \$2.75 | \$3.18 | \$11.03 |
| Experience Period Paid PMPM | \$10.27 | \$14.63 | \$31.94 | \$56.84 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.086 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.033 | 1.174 | 1.170 | 1.147 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 9,614 | 795 | 140 | 10,549 |
| Projected Allowed PMPM as of Q3 2018 | \$16.11 | \$22.06 | \$45.44 | \$83.60 |
| Projected Deductible PMPM | \$2.14 | \$0.92 | \$0.41 | \$3.47 |
| Projected Copay PMPM | \$2.60 | \$1.39 | \$0.22 | \$4.21 |
| Projected Coinsurance PMPM | \$0.53 | \$0.62 | \$3.33 | \$4.48 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.26 | \$2.93 | \$3.97 | \$12.16 |
| Projected Paid PMPM as of Q3 2018 | \$10.85 | \$19.13 | \$41.47 | \$71.44 |

| |
|---|
| Exhibit 2c -- Rx Trend Development - Non-HDHP 3Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 13,821

| Rx Claim Information | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 10,824 | 978 | 180 | 11,982 |
| Experience Period Allowed PMPM | \$21.05 | \$23.21 | \$55.08 | \$99.34 |
| Experience Period Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Experience Period Copay PMPM | \$4.51 | \$2.44 | \$0.37 | \$7.33 |
| Experience Period Coinsurance PMPM | \$0.51 | \$0.59 | \$4.88 | \$5.98 |
| Experience Period Cost Sharing PMPM | \$5.03 | \$3.03 | \$5.25 | \$13.31 |
| Experience Period Paid PMPM | \$16.03 | \$20.18 | \$49.83 | \$86.03 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.107 |
| Annual Deductible Trend | 1.000 | 1.000 | 1.000 | 1.000 |
| Annual Paid Trend | 1.029 | 1.170 | 1.168 | 1.143 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 11,301 | 1,002 | 203 | 12,506 |
| Projected Allowed PMPM as of Q3 2018 | \$22.07 | \$29.45 | \$71.26 | \$122.77 |
| Projected Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Projected Copay PMPM | \$4.71 | \$2.51 | \$0.42 | \$7.64 |
| Projected Coinsurance PMPM | \$0.54 | \$0.75 | \$6.31 | \$7.59 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.25 | \$3.25 | \$6.73 | \$15.23 |
| Projected Paid PMPM as of Q3 2018 | \$16.82 | \$26.19 | \$64.53 | \$107.54 |

| |
|---|
| Exhibit 2d -- Rx Trend Development - HDHP 3Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

Experience Period: November 1, 2016 - October 31, 2017
Paid Through: February 28, 2018
Member Months: 12,363

| Rx Claim Information | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 7,402 | 550 | 61 | 8,014 |
| Experience Period Allowed PMPM | \$9.01 | \$10.88 | \$12.80 | \$32.69 |
| Experience Period Deductible PMPM | \$4.46 | \$1.93 | \$0.86 | \$7.25 |
| Experience Period Copay PMPM | \$0.22 | \$0.13 | \$0.00 | \$0.36 |
| Experience Period Coinsurance PMPM | \$0.49 | \$0.38 | \$0.00 | \$0.87 |
| Experience Period Cost Sharing PMPM | \$5.17 | \$2.44 | \$0.86 | \$8.48 |
| Experience Period Paid PMPM | \$3.83 | \$8.44 | \$11.94 | \$24.21 |
| Annual Util Trend | 1.026 | 1.015 | 1.077 | 1.026 |
| Annual Unit Cost Trend | 1.002 | 1.137 | 1.084 | 1.054 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.052 | 1.187 | 1.178 | 1.162 |
| Months of Trend to Q3 2018 | 20 | 20 | 20 | 20 |
| Projected Scripts / 1000 as of Q3 2018 | 7,728 | 564 | 69 | 8,361 |
| Projected Allowed PMPM as of Q3 2018 | \$9.44 | \$13.81 | \$16.56 | \$39.81 |
| Projected Deductible PMPM | \$4.52 | \$1.96 | \$0.87 | \$7.35 |
| Projected Copay PMPM | \$0.23 | \$0.14 | \$0.00 | \$0.37 |
| Projected Coinsurance PMPM | \$0.51 | \$0.48 | \$0.00 | \$1.00 |
| Projected Cost Sharing PMPM as of Q3 2018 | \$5.27 | \$2.58 | \$0.87 | \$8.72 |
| Projected Paid PMPM as of Q3 2018 | \$4.17 | \$11.23 | \$15.69 | \$31.09 |

Exhibit 2e -- Pricing Trend Assumptions -- 4Q Projection

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| | |
|--------------------|--------------------------------------|
| Experience Period: | November 1, 2016 - October 31, 2017 |
| Rating Period: | October 1, 2018 - September 30, 2019 |

| Months of Trend | 2017 | 2018 | 2019 | Total |
|-----------------|------|------|------|-------|
| | 2 | 12 | 9 | 23 |

Medical Trend Summary

| 2017 Annual Trend | | | | |
|--------------------------|---------------|------------------|--------------------|--------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.4% | 4.2% | 0.0% | 4.2% |
| OP and Other Med | 46.3% | 3.9% | 0.0% | 3.9% |
| PHY | 31.3% | -2.4% | 0.0% | -2.4% |
| Medical Total | | 2.0% | 0.0% | 2.0% |

| 2018 Annual Trend | | | | |
|--------------------------|---------------|------------------|--------------------|--------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 22.5% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 46.4% | 4.7% | 0.0% | 4.7% |
| PHY | 31.1% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.5% | 0.0% | 2.5% |

| 2019 Annual Trend | | | | |
|--------------------------|---------------|------------------|--------------------|--------------|
| % of Allowed | | | | |
| | Claims | Unit Cost | Utilization | Total |
| IP | 23.0% | 5.0% | 0.0% | 5.0% |
| OP and Other Med | 47.4% | 4.7% | 0.0% | 4.7% |
| PHY | 29.5% | -2.6% | 0.0% | -2.6% |
| Medical Total | | 2.6% | 0.0% | 2.6% |

| Leveraging Impact - Large Group Non-HDHP Fee-For-Service Medical Claims | | | | | | |
|--|----------------------|----------------|--------------------|--------------|-------------------|--------------|
| | Member Months | Allowed | Coinsurance | Copay | Deductible | Paid* |
| | 13,821 | | | | | |
| Experience Period: | | \$471.54 | \$12.35 | \$17.30 | \$26.36 | \$415.54 |
| 23 Months of Trend: | | 1.048 | 1.048 | 1.000 | 1.000 | 1.053 |
| Projection Period: | | \$494.20 | \$12.94 | \$17.30 | \$26.36 | \$437.60 |
| Allowed Trend (Annual) | | 2.5% | | | | |
| Paid Trend (Annual) | | | | | | 2.7% |
| Leveraging (Annual) | | | | | | 0.3% |

| Leveraging Impact - Large Group HDHP Fee-For-Service Medical Claims | | | | | | |
|--|----------------------|----------------|--------------------|--------------|-------------------|--------------|
| | Member Months | Allowed | Coinsurance | Copay | Deductible | Paid* |
| | 12,363 | | | | | |
| Experience Period: | | \$362.40 | \$8.41 | \$0.00 | \$78.27 | \$275.71 |
| 23 Months of Trend: | | 1.048 | 1.048 | 1.000 | 1.016 | 1.057 |
| Projection Period: | | \$379.81 | \$8.81 | \$0.00 | \$79.55 | \$291.45 |
| Allowed Trend (Annual) | | 2.5% | | | | |
| Paid Trend (Annual) | | | | | | 2.9% |
| Leveraging (Annual) | | | | | | 0.4% |

| Leveraging Impact - Large Group Fee-For-Service Medical Claims | | | | | |
|---|----------------|--------------------|--------------|-------------------|--------------|
| | Allowed | Coinsurance | Copay | Deductible | Paid* |
| Experience Period: | \$420.01 | \$10.49 | \$9.13 | \$50.87 | \$349.52 |
| 23 Months of Trend: | 1.048 | 1.048 | 1.000 | 1.012 | 1.055 |
| Projection Period: | \$440.19 | \$10.99 | \$9.13 | \$51.47 | \$368.59 |
| Allowed Trend (Annual) | | 2.5% | | | |
| Paid Trend (Annual) | | | | | 2.8% |
| Leveraging (Annual) | | | | | 0.3% |

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

| | 2017 Trend | | 2018 Trend | | 2019 Trend | |
|-----------|-------------------|--------------------|-------------------|--------------------|-------------------|--------------------|
| | Unit Cost | Utilization | Unit Cost | Utilization | Unit Cost | Utilization |
| Generic | -8.3% | 0.8% | -0.4% | 2.7% | 4.6% | 3.1% |
| Brand | 9.9% | -4.4% | 14.9% | 2.5% | 12.5% | 1.4% |
| Specialty | 10.9% | 9.6% | 6.9% | 7.5% | 10.6% | 7.4% |

| |
|--|
| Exhibit 2f -- Rx Trend Development - 4Q |
|--|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 26,184

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 9,209 | 776 | 124 | 10,108 |
| Experience Period Allowed PMPM | \$15.36 | \$17.39 | \$35.12 | \$67.87 |
| Experience Period Deductible PMPM | \$2.11 | \$0.91 | \$0.41 | \$3.42 |
| Experience Period Copay PMPM | \$2.49 | \$1.35 | \$0.20 | \$4.04 |
| Experience Period Coinsurance PMPM | \$0.50 | \$0.49 | \$2.57 | \$3.57 |
| Experience Period Cost Sharing PMPM | \$5.10 | \$2.75 | \$3.18 | \$11.03 |
| Experience Period Paid PMPM | \$10.27 | \$14.63 | \$31.94 | \$56.84 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.026 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.107 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.042 | 1.172 | 1.172 | 1.150 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 9,687 | 798 | 142 | 10,627 |
| Projected Allowed PMPM as of Q4 2018 | \$16.41 | \$22.80 | \$47.43 | \$86.65 |
| Projected Deductible PMPM | \$2.14 | \$0.93 | \$0.41 | \$3.48 |
| Projected Copay PMPM | \$2.62 | \$1.39 | \$0.23 | \$4.24 |
| Projected Coinsurance PMPM | \$0.54 | \$0.64 | \$3.48 | \$4.66 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$2.96 | \$4.12 | \$12.37 |
| Projected Paid PMPM as of Q4 2018 | \$11.12 | \$19.84 | \$43.32 | \$74.28 |

| |
|---|
| Exhibit 2g -- Rx Trend Development - Non-HDHP 4Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017

Paid Through: February 28, 2018

Member Months with Rx Benefit: 13,821

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 10,824 | 978 | 180 | 11,982 |
| Experience Period Allowed PMPM | \$21.05 | \$23.21 | \$55.08 | \$99.34 |
| Experience Period Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Experience Period Copay PMPM | \$4.51 | \$2.44 | \$0.37 | \$7.33 |
| Experience Period Coinsurance PMPM | \$0.51 | \$0.59 | \$4.88 | \$5.98 |
| Experience Period Cost Sharing PMPM | \$5.03 | \$3.03 | \$5.25 | \$13.31 |
| Experience Period Paid PMPM | \$16.03 | \$20.18 | \$49.83 | \$86.03 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.027 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.109 |
| Annual Deductible Trend | 1.000 | 1.000 | 1.000 | 1.000 |
| Annual Paid Trend | 1.037 | 1.168 | 1.171 | 1.146 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 11,386 | 1,005 | 207 | 12,599 |
| Projected Allowed PMPM as of Q4 2018 | \$22.48 | \$30.43 | \$74.40 | \$127.32 |
| Projected Deductible PMPM | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Projected Copay PMPM | \$4.75 | \$2.51 | \$0.43 | \$7.69 |
| Projected Coinsurance PMPM | \$0.55 | \$0.77 | \$6.59 | \$7.90 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$3.28 | \$7.02 | \$15.60 |
| Projected Paid PMPM as of Q4 2018 | \$17.19 | \$27.15 | \$67.38 | \$111.72 |

| |
|---|
| Exhibit 2h -- Rx Trend Development - HDHP 4Q |
|---|

MVP Health Care -- Q3 & Q4 2018 LG HMO Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

Experience Period: November 1, 2016 - October 31, 2017
Paid Through: February 28, 2018
Member Months: 12,363

| <u>Rx Claim Information</u> | Generic | Brand | Specialty | Total |
|---|----------------|--------------|------------------|--------------|
| Experience Period Scripts / 1000 | 7,402 | 550 | 61 | 8,014 |
| Experience Period Allowed PMPM | \$9.01 | \$10.88 | \$12.80 | \$32.69 |
| Experience Period Deductible PMPM | \$4.46 | \$1.93 | \$0.86 | \$7.25 |
| Experience Period Copay PMPM | \$0.22 | \$0.13 | \$0.00 | \$0.36 |
| Experience Period Coinsurance PMPM | \$0.49 | \$0.38 | \$0.00 | \$0.87 |
| Experience Period Cost Sharing PMPM | \$5.17 | \$2.44 | \$0.86 | \$8.48 |
| Experience Period Paid PMPM | \$3.83 | \$8.44 | \$11.94 | \$24.21 |
| Annual Util Trend | 1.027 | 1.015 | 1.076 | 1.026 |
| Annual Unit Cost Trend | 1.008 | 1.135 | 1.087 | 1.099 |
| Annual Deductible Trend | 1.008 | 1.008 | 1.008 | 1.008 |
| Annual Paid Trend | 1.066 | 1.184 | 1.181 | 1.165 |
| Months of Trend to Q4 2018 | 23 | 23 | 23 | 23 |
| Projected Scripts / 1000 as of Q4 2018 | 7,786 | 566 | 70 | 8,423 |
| Projected Allowed PMPM as of Q4 2018 | \$9.62 | \$14.27 | \$17.29 | \$41.18 |
| Projected Deductible PMPM | \$4.53 | \$1.96 | \$0.88 | \$7.37 |
| Projected Copay PMPM | \$0.24 | \$0.14 | \$0.00 | \$0.37 |
| Projected Coinsurance PMPM | \$0.52 | \$0.50 | \$0.00 | \$1.02 |
| Projected Cost Sharing PMPM as of Q4 2018 | \$5.29 | \$2.60 | \$0.88 | \$8.77 |
| Projected Paid PMPM as of Q4 2018 | \$4.33 | \$11.67 | \$16.41 | \$32.42 |

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| Exhibit 3a -- Claim Projection & Proposed Rate Change |
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Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| |
|---|
| LG HMO Claim Projection and Proposed Rate Change |
|---|

Experience Period: November 1, 2016 - October 31, 2017

Completed Through: February 28, 2018

| | |
|--|-------------|
| Experience Period Member Months | 26,184 |
| 1) Experience Period Medical Claims PMPM | \$328.52 |
| 1a) Claims in Excess of \$100k over Experience Period | \$41.09 |
| 1b) Pooling Charge | 1.0916 |
| 2) IBNR Factor | 1.064 |
| 3) Experience Period Incurred Medical Claims = [1) - 1a)] * 1b) * 2) | \$333.81 |
| 4) Annual Medical Trend <i>Includes Paid Leveraging</i> | 1.028 |
| 5) Months of Trend to Q3 2018 | 20 |
| 6) NY State HCRA Surcharge | 0.25% |
| 7) Trended Incurred Medical Claims PMPM as of Q3 2018 = [3) * 4) ^ [5) / 12]] * [1 + 6)] | \$350.37 |
| 8) Experience Period Rx Claims PMPM | \$56.84 |
| 8a) Rx Claims in Excess of \$100k over Experience Period | \$6.30 |
| 8b) Pooling Charge | 1.0916 |
| 8c) Pharmacy Benefit Carve-in | \$0.35 |
| 9) Annual Rx Trend <i>Includes Paid Leveraging</i> | 1.147 |
| 10) Months of Trend to Q3 2018 | 20 |
| 11) Trended Gross Rx Claims PMPM as of Q3 2018 = [8) - 8a) + 8c)] * 8b) * [9)] ^ [10) / 12] | \$69.82 |
| 11a) Rx Rebates | (\$18.98) |
| 12) Trended Net Rx Claims PMPM as of Q3 2018 = 11) + 11a) | \$50.84 |
| 13) Capitations and Non-FFS Claim Expenses | \$7.15 |
| 14a) Industry Normalization Factor | 0.979 |
| 14b) Impact of Membership Growth/Decline on Experience Pd Claims | 0.998 |
| 15) Total Claim Cost as of Q3 2018 = [[7) + 11)] * 14a) * 14b)] + 13) | \$399.34 |
| 16) Projected Net Revenue Collected at Q2 2018 Rate Level | \$368.65 |
| 17) Proposed Quarterly Rate Change = 15) / 16) - 1 | 8.3% |

| |
|--|
| Exhibit 3b -- Claim Projection & Proposed Rate Change |
|--|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| |
|---|
| LG HMO Claim Projection and Proposed Rate Change |
|---|

Experience Period: November 1, 2016 - October 31, 2017
Completed Through: February 28, 2018

| | |
|---|-------------|
| Experience Period Member Months | 26,184 |
| 1) Experience Period Medical Claims PMPM | \$328.52 |
| 1a) Claims in Excess of \$100k over Experience Period | \$41.09 |
| 1b) Pooling Charge | 1.0916 |
| 2) IBNR Factor | 1.064 |
| 3) Experience Period Incurred Medical Claims <i>= [1) - 1a)] * 1b) * 2)</i> | \$333.81 |
| 4) Annual Medical Trend <i>Includes Paid Leveraging</i> | 1.028 |
| 5) Months of Trend to Q4 2018 | 23 |
| 6) NY State HCRA Surcharge | 0.25% |
| 7) Trended Incurred Medical Claims PMPM as of Q4 2018 <i>= [3) * 4) ^ [5) / 12]] * [1 + 6)]</i> | \$352.91 |
| 8) Experience Period Rx Claims PMPM | \$56.84 |
| 8a) Rx Claims in Excess of \$100k over Experience Period | \$6.30 |
| 8b) Pooling Charge | 1.0916 |
| 8c) Pharmacy Benefit Carve-in | \$0.35 |
| 9) Annual Rx Trend <i>Includes Paid Leveraging</i> | 1.150 |
| 10) Months of Trend to Q4 2018 | 23 |
| 11) Trended Gross Rx Claims PMPM as of Q4 2018 <i>= [8) - 8a) + 8c)] * 8b) * [9)] ^ [10) / 12]</i> | \$72.59 |
| 11a) Rx Rebates | (\$19.19) |
| 12) Trended Net Rx Claims PMPM as of Q4 2018 <i>= 11) + 11a)</i> | \$53.40 |
| 13) Capitations and Non-FFS Claim Expenses | \$7.15 |
| 14a) Industry Normalization Factor | 0.979 |
| 14b) Impact of Membership Growth/Decline on Experience Pd Clai | 0.998 |
| 15) Total Claim Cost as of Q4 2018 <i>= [[7) + 11)] * 14a) * 14b)] + 13)</i> | \$404.33 |
| 16) Projected Claim Cost Q3 2018 <i>Based on distribution of experience period members</i> | \$399.34 |
| 17) Proposed Quarterly Rate Change <i>= 15) / 16) - 1</i> | 1.2% |

| |
|---|
| Exhibit 4a -- Medical Manual Rates (Q3 2018) |
|---|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate | Annual Revenue Change |
|--------------|-------------|-------------|--------------|------------------------------|---------------------|-----------------------|--------------------------|
| VT3HMO087ZLN | VE2-087 | VE087L | HMO | \$463.73 | 8.3% | 8.3% | 3.8% |
| VT3HMO089ZLN | VE2-089 | VE089L | HMO | \$449.47 | 8.3% | 8.3% | 3.8% |
| VT3HMO091ZLE | VE2-091 | VE091L | HyHMO | \$365.39 | 8.3% | 8.3% | 3.8% |
| VT3HMO092ZLE | VE2-092 | VE092L | HyHMO | \$418.14 | 8.3% | 8.3% | 3.8% |
| VT3HMO093ZLE | VE2-093 | VE093L | HyHMO | \$382.49 | 8.3% | 8.3% | 3.8% |
| VT3HMO095ZLE | VE2-095 | VE095L | HyHMO | \$401.01 | 8.3% | 8.3% | 3.8% |
| VT3HMO100ZLE | VE2-100 | VE100L | HyHMO | \$376.76 | 8.3% | 8.3% | 3.8% |
| VT3HMO101ZLE | VE2-101 | VE101L | HyHMO | \$359.08 | 8.3% | 8.3% | 3.8% |
| VT3HMO103ZLE | VE2-103 | VE103L | HyHMO | \$395.30 | 8.3% | 8.3% | 3.8% |
| VT3HMO107ZLE | VE2-107 | VE107L | HyHMO | \$355.41 | 8.3% | 8.3% | 3.8% |
| VT3HMO110ZLE | VE2-110 | VE110L | HyHMO | \$365.39 | 8.3% | 8.3% | 3.8% |
| VT3HMO116ZLE | VE2-116 | VE116L | HyHMO | \$356.62 | 8.3% | 8.3% | 3.8% |
| VT3HMO117ZLE | VE2-117 | VE117L | HyHMO | \$265.19 | 8.3% | 8.3% | 3.8% |
| VT3HMO118ZLE | VE2-118 | N/A | HyHMO | \$311.42 | 8.3% | N/A | N/A |
| VT3HDH01AXL | VEHD2-01 | VEHD-01L | HDHMOagg | \$420.11 | 8.3% | 8.3% | 3.8% |
| VT3HDH02AXL | VEHD2-02 | VEHD-02L | HDHMOagg | \$374.66 | 8.3% | 8.3% | 3.8% |
| VT3HDH07AXL | VEHD2-07 | VEHD-07L | HDHMOagg | \$375.02 | 8.3% | 8.3% | 3.8% |
| VT3HDH08AXL | VEHD2-08 | VEHD-08L | HDHMOagg | \$343.90 | 8.3% | 8.3% | 3.8% |
| VT3HDH09AXL | VEHD2-09 | VEHD-09L | HDHMOagg | \$321.76 | 8.3% | 8.3% | 3.8% |
| VT3HDH15AXL | VEHD2-15 | VEHD-15L | HDHMOagg | \$324.36 | 8.3% | 8.3% | 3.8% |
| VT3HDH17AXL | VEHD2-17 | VEHD-17L | HDHMOagg | \$338.32 | 8.3% | 8.3% | 3.8% |
| VT3HDH19EXLE | VEHD2-19 | VEHD-19L | HDHMO | \$308.09 | 8.3% | 8.3% | 3.8% |
| VT3HDH41EXLE | VEHD2-41 | VEHD-41L | HDHMO | \$372.03 | 8.3% | 7.0% | 2.6% |
| VT3HDH43EXLE | VEHD2-43 | VEHD-43L | HDHMO | \$330.32 | 8.3% | 8.3% | 3.8% |
| VT3HDH46AXL | VEHD2-46 | VEHD-46L | HDHMOagg | \$347.52 | 8.3% | 8.3% | 3.8% |
| VT3HDH50EXLE | VEHD2-50 | VEHD-50L | HDHMO | \$281.20 | 8.3% | 8.3% | 3.8% |
| VT3HDH51EXLE | VEHD2-51 | N/A | HDHMO | \$279.31 | 8.3% | N/A | N/A |
| VT3HDH52AXL | N/A | N/A | HDHMOagg | \$293.72 | N/A | N/A | N/A |
| VT3HDH53EXLE | N/A | N/A | HDHMO | \$270.37 | N/A | N/A | N/A |

| |
|---|
| Exhibit 4a -- Medical Manual Rates (Q4 2018) |
|---|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| HMO Coplan | 2018 Coplan | 2017 Coplan | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change | Annual Revenue Change |
|------------|-------------|-------------|--------------|------------------------------|---------------------|------------------------------|--------------------------|
| VT3HMO087 | VE2-087 | VE087L | HMO | \$469.29 | 1.2% | 7.7% | 2.8% |
| VT3HMO089 | VE2-089 | VE089L | HMO | \$454.86 | 1.2% | 7.7% | 2.8% |
| VT3HMO091 | VE2-091 | VE091L | HyHMO | \$369.77 | 1.2% | 7.7% | 2.8% |
| VT3HMO092 | VE2-092 | VE092L | HyHMO | \$423.16 | 1.2% | 7.7% | 2.8% |
| VT3HMO093 | VE2-093 | VE093L | HyHMO | \$387.08 | 1.2% | 7.7% | 2.8% |
| VT3HMO095 | VE2-095 | VE095L | HyHMO | \$405.82 | 1.2% | 7.7% | 2.8% |
| VT3HMO100 | VE2-100 | VE100L | HyHMO | \$381.28 | 1.2% | 7.7% | 2.8% |
| VT3HMO101 | VE2-101 | VE101L | HyHMO | \$363.39 | 1.2% | 7.7% | 2.8% |
| VT3HMO103 | VE2-103 | VE103L | HyHMO | \$400.04 | 1.2% | 7.7% | 2.8% |
| VT3HMO107 | VE2-107 | VE107L | HyHMO | \$359.67 | 1.2% | 7.7% | 2.8% |
| VT3HMO110 | VE2-110 | VE110L | HyHMO | \$369.77 | 1.2% | 7.7% | 2.8% |
| VT3HMO116 | VE2-116 | VE116L | HyHMO | \$360.90 | 1.2% | 7.7% | 2.8% |
| VT3HMO117 | VE2-117 | VE117L | HyHMO | \$268.37 | 1.2% | 7.7% | 2.8% |
| VT3HMO118 | VE2-118 | N/A | HyHMO | \$315.16 | 1.2% | N/A | N/A |
| VT3HDH01AX | VEHD2-01 | VEHD-01L | HDHMOagg | \$425.15 | 1.2% | 7.7% | 2.8% |
| VT3HDH02AX | VEHD2-02 | VEHD-02L | HDHMOagg | \$379.16 | 1.2% | 7.7% | 2.8% |
| VT3HDH07AX | VEHD2-07 | VEHD-07L | HDHMOagg | \$379.52 | 1.2% | 7.7% | 2.8% |
| VT3HDH08AX | VEHD2-08 | VEHD-08L | HDHMOagg | \$348.03 | 1.2% | 7.7% | 2.8% |
| VT3HDH09AX | VEHD2-09 | VEHD-09L | HDHMOagg | \$325.62 | 1.2% | 7.7% | 2.8% |
| VT3HDH15AX | VEHD2-15 | VEHD-15L | HDHMOagg | \$328.25 | 1.2% | 7.7% | 2.8% |
| VT3HDH17AX | VEHD2-17 | VEHD-17L | HDHMOagg | \$342.38 | 1.2% | 7.7% | 2.8% |
| VT3HDH19EX | VEHD2-19 | VEHD-19L | HDHMO | \$311.79 | 1.2% | 7.7% | 2.8% |
| VT3HDH41EX | VEHD2-41 | VEHD-41L | HDHMO | \$376.49 | 1.2% | 6.4% | 1.6% |
| VT3HDH43EX | VEHD2-43 | VEHD-43L | HDHMO | \$334.28 | 1.2% | 7.7% | 2.8% |
| VT3HDH46AX | VEHD2-46 | VEHD-46L | HDHMOagg | \$351.69 | 1.2% | 7.7% | 2.8% |
| VT3HDH50EX | VEHD2-50 | VEHD-50L | HDHMO | \$284.57 | 1.2% | 7.7% | 2.8% |
| VT3HDH51EX | VEHD2-51 | N/A | HDHMO | \$282.66 | 1.2% | N/A | N/A |
| VT3HDH52AX | N/A | N/A | HDHMOagg | \$297.24 | 1.2% | N/A | N/A |
| VT3HDH53EX | N/A | N/A | HDHMO | \$273.61 | 1.2% | N/A | N/A |

| |
|---|
| Exhibit 4b -- Medical Riders (Q3 2018) |
|---|

Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate |
|------------------|---------------|--------------------|---|--------------|---------------------------|------------------|--------------------|
| YV3HMB301L | V2-301 | V301 | Vision Exam 1 Every 2 Calendar Yr | HMO | \$3.75 | 8.4% | 8.3% |
| MV3HMB305L | V2-305L | V305L | Advanced Infertility Services - (Large Only) | HMO | \$5.01 | 8.2% | 8.1% |
| MV3HMB306L | V2-306 | V306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HMO | \$4.72 | 8.3% | 8.2% |
| MV3HMB307L | V2-307 | V307 | Exclusion For Elective Abortions | HMO | (\$0.19) | 5.6% | 0.9% |
| MV3HMB309L-c | V2-309L-c | V309L-c | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plar | HMO | \$4.05 | 8.3% | 8.2% |
| MV3HMB309L-d | V2-309L-d | V309L-d | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plar | HMO | \$4.66 | 8.4% | 8.4% |
| MV3HMB309L-e | V2-309L-e | V309L-e | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plar | HMO | \$9.39 | 8.3% | 8.4% |
| MV3HMB309L-f | V2-309L-f | V309L-f | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plar | HMO | \$9.92 | 8.3% | 8.4% |
| MV3HMB309L-g | V2-309L-g | V309L-g | Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plar | HMO | \$13.39 | 8.3% | 8.4% |
| YV3HMB310L | V2-310 | V310 | Annual Vision Exam - Per Calendar Yr | HMO | \$6.94 | 8.3% | 8.4% |
| DV3HMB312L | V2-312 | V312 | Dme, External Pros/Ostomy Buy - Up To 80% | HMO | \$0.91 | 8.3% | 7.4% |
| MV3HMB316L | V2-316 | V316 | Disposable Medical Supplies | HMO | \$1.03 | 8.4% | 8.2% |
| MV3HMB317L | V2-317 | V317 | Changes Contract Yr To Calendar Year | HMO | \$0.00 | n/a | n/a |
| MV3HMB356L | V2-356 | V356 | Deductible Carryover Rider | HMO | \$4.39 | 8.4% | n/a |
| GV3HMB700L | V2-700 | V700 | Domestic Partners (Same And Opp Sex) | HMO | \$0.00 | n/a | n/a |
| YV3HHD312L | VEHD2-312 | VEHD 312 | Exam & Hardware | HDHMO | 0.5% | n/a | n/a |
| MV3HHD305L | VHD2-305L | VHD305L | Advanced Infertility Services - (Large Only) | HDHMO | \$4.96 | 8.3% | 8.3% |
| MV3HHD306L | VHD2-306 | VHD306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HDHMO | \$5.04 | 8.4% | 8.3% |
| MV3HHD307L | VHD2-307 | VHD307 | Exclusion For Elective Abortions | HDHMO | (\$0.17) | 6.3% | 8.3% |
| MV3HHD316L | VHD2-316 | VHD316 | Disposable Medical Supplies | HDHMO | \$0.67 | 8.1% | 8.6% |
| MV3HHD317L | VHD2-317 | VHDC317 | Changes Contract Yr To Calendar Year | HDHMO | \$0.00 | n/a | n/a |
| YV3HHD346L | VHD2-346 | New Rider for 2018 | Annual Vision Exam - Per Calendar Yr | HDHMO | \$6.94 | 8.3% | n/a |
| MV3HHD356L | VHD2-356 | VHD356L | Deductible Carryover Rider | HDHMO | \$8.78 | 8.3% | n/a |
| GV3HHD700L | VHD700 | VHD700 | Domestic Partners (Same And Opp Sex) | HDHMO | \$0.00 | n/a | n/a |
| RXVT3HHDH510L-a | VHD2-510-a | VHD510-a | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH01AXL) | HDHMO | \$1.75 | 8.0% | 7.9% |
| RXVT3HHDH510L-b | VHD2-510-b | VHD510-b | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH02AXL) | HDHMO | \$4.64 | 8.4% | 8.5% |
| RXVT3HHDH510L-g | VHD2-510-g | VHD510-g | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH07AXL) | HDHMO | \$2.80 | 8.1% | 8.4% |
| RXVT3HHDH510L-h | VHD2-510-h | VHD510-h | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH08AXL) | HDHMO | \$3.68 | 8.2% | 8.3% |
| RXVT3HHDH510L-i | VHD2-510-i | VHD510-i | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH09AXL) | HDHMO | \$5.57 | 8.4% | 8.5% |
| RXVT3HHDH510L-o | VHD2-510-o | VHD510-o | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH15AXL) | HDHMO | \$3.70 | 8.2% | 8.2% |
| RXVT3HHDH510L-q | VHD2-510-q | VHD510-q | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH17AXL) | HDHMO | \$4.64 | 8.4% | 8.5% |
| RXVT3HHDH510L-s | VHD2-510-s | VHD510-s | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH19EXLE) | HDHMO | \$14.78 | 8.3% | 8.4% |
| RXVT3HHDH510L-aa | VHD2-510-aa | VHD510-aa | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH41EXLE) | HDHMO | \$7.29 | 8.3% | 12.6% |
| RXVT3HHDH510L-ac | VHD2-510-ac | VHD510-ac | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH43EXLE) | HDHMO | \$10.92 | 8.3% | 8.3% |
| RXVT3HHDH510L-af | VHD2-510-af | VHD510-af | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH46AXL) | HDHMO | \$8.22 | 8.3% | 8.2% |
| RXVT3HHDH510L-ak | VHD2-510-ak | VHD510-ak | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH50EXLE) | HDHMO | \$16.91 | 8.3% | 8.4% |
| RXVT3HHDH510L-al | VHD2-510-al | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH51EXLE) | HDHMO | \$17.99 | 8.3% | n/a |
| RXVT3HHDH510L-am | New Rider for | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH52AXL) | HDHMO | \$6.59 | n/a | n/a |
| RXVT3HHDH510L-an | New Rider for | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH53EXLE) | HDHMO | \$18.01 | n/a | n/a |

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| Exhibit 4b -- Medical Riders (Q4 2018) |
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Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|------------------|----------------------------------|--------------------|---|--------------|---------------------------|------------------|---------------------------|
| YV3HMB301L | V2-301 | V301 | Vision Exam 1 Every 2 Calendar Yr | HMO | \$3.80 | 1.3% | 8.0% |
| MV3HMB305L | V2-305L | V305L | Advanced Infertility Services - (Large Only) | HMO | \$5.07 | 1.2% | 7.4% |
| MV3HMB306L | V2-306 | V306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HMO | \$4.78 | 1.3% | 7.7% |
| MV3HMB307L | V2-307 | V307 | Exclusion For Elective Abortions | HMO | (\$0.19) | 0.0% | 0.0% |
| MV3HMB309L-c | V2-309L-c | V309L-c | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 2x OOP Max plar | HMO | \$4.10 | 1.2% | 7.6% |
| MV3HMB309L-d | V2-309L-d | V309L-d | Outpatient X-Ray Covered At 100% (Not High Tech) - \$1000 Ded; 3x OOP Max plar | HMO | \$4.72 | 1.3% | 7.8% |
| MV3HMB309L-e | V2-309L-e | V309L-e | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 2x OOP Max plar | HMO | \$9.50 | 1.2% | 7.7% |
| MV3HMB309L-f | V2-309L-f | V309L-f | Outpatient X-Ray Covered At 100% (Not High Tech) - \$2000 Ded; 3x OOP Max plar | HMO | \$10.04 | 1.2% | 7.7% |
| MV3HMB309L-g | V2-309L-g | V309L-g | Outpatient X-Ray Covered At 100% (Not High Tech) - \$3000+ Ded; 2x OOP Max plar | HMO | \$13.55 | 1.2% | 7.7% |
| YV3HMB310L | V2-310 | V310 | Annual Vision Exam - Per Calendar Yr | HMO | \$7.02 | 1.2% | 7.7% |
| DV3HMB312L | V2-312 | V312 | Dme, External Pros/Ostomy Buy - Up To 80% | HMO | \$0.92 | 1.1% | 7.0% |
| MV3HMB316L | V2-316 | V316 | Disposable Medical Supplies | HMO | \$1.04 | 1.0% | 7.2% |
| MV3HMB317L | V2-317 | V317 | Changes Contract Yr To Calendar Year | HMO | \$0.00 | n/a | n/a |
| MV3HMB356L | V2-356 | V356 | Deductible Carryover Rider | HMO | \$4.44 | 1.1% | n/a |
| GV3HMB700L | V2-700 | V700 | Domestic Partners (Same And Opp Sex) | HMO | \$0.00 | n/a | n/a |
| YV3HHD312L | VEHD2-312 | VEHD 312 | Exam & Hardware | HDHMO | 0.5% | n/a | n/a |
| MV3HHD305L | VHD2-305L | VHD305L | Advanced Infertility Services - (Large Only) | HDHMO | \$5.02 | 1.2% | 7.7% |
| MV3HHD306L | VHD2-306 | VHD306 | 60 Visits Outpatient Physical/Speech/Occupational Therapy | HDHMO | \$5.10 | 1.2% | 7.6% |
| MV3HHD307L | VHD2-307 | VHD307 | Exclusion For Elective Abortions | HDHMO | (\$0.17) | 0.0% | 6.3% |
| MV3HHD316L | VHD2-316 | VHD316 | Disposable Medical Supplies | HDHMO | \$0.68 | 1.5% | 7.9% |
| MV3HHD317L | VHD2-317 | VHDC317 | Changes Contract Yr To Calendar Year | HDHMO | \$0.00 | n/a | n/a |
| YV3HHD346L | VHD2-346 | New Rider for 2018 | Annual Vision Exam - Per Calendar Yr | HDHMO | \$7.02 | 1.2% | n/a |
| MV3HHD356L | VHD2-356 | VHD356L | Deductible Carryover Rider | HDHMO | \$8.89 | 1.3% | n/a |
| GV3HHD700L | VHD700 | VHD700 | Domestic Partners (Same And Opp Sex) | HDHMO | \$0.00 | n/a | n/a |
| RXVT3HHDH510L-a | VHD2-510-a | VHD510-a | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH01AXL) | HDHMO | \$1.77 | 1.1% | 7.3% |
| RXVT3HHDH510L-b | VHD2-510-b | VHD510-b | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH02AXL) | HDHMO | \$4.70 | 1.3% | 7.8% |
| RXVT3HHDH510L-g | VHD2-510-g | VHD510-g | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH07AXL) | HDHMO | \$2.83 | 1.1% | 7.6% |
| RXVT3HHDH510L-h | VHD2-510-h | VHD510-h | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH08AXL) | HDHMO | \$3.72 | 1.1% | 7.5% |
| RXVT3HHDH510L-i | VHD2-510-i | VHD510-i | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH09AXL) | HDHMO | \$5.64 | 1.3% | 7.8% |
| RXVT3HHDH510L-o | VHD2-510-o | VHD510-o | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH15AXL) | HDHMO | \$3.74 | 1.1% | 7.5% |
| RXVT3HHDH510L-q | VHD2-510-q | VHD510-q | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH17AXL) | HDHMO | \$4.70 | 1.3% | 7.8% |
| RXVT3HHDH510L-s | VHD2-510-s | VHD510-s | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH19EXLE) | HDHMO | \$14.96 | 1.2% | 7.7% |
| RXVT3HHDH510L-aa | VHD2-510-aa | VHD510-aa | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH41EXLE) | HDHMO | \$7.38 | 1.2% | 12.0% |
| RXVT3HHDH510L-ac | VHD2-510-ac | VHD510-ac | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH43EXLE) | HDHMO | \$11.05 | 1.2% | 7.7% |
| RXVT3HHDH510L-af | VHD2-510-af | VHD510-af | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH46AXL) | HDHMO | \$8.32 | 1.2% | 7.6% |
| RXVT3HHDH510L-ak | VHD2-510-ak | VHD510-ak | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH50EXLE) | HDHMO | \$17.11 | 1.2% | 7.7% |
| RXVT3HHDH510L-al | VHD2-510-al | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH51EXLE) | HDHMO | \$18.21 | 1.2% | n/a |
| RXVT3HHDH510L-am | New Rider for New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH52AXL) | HDHMO | \$6.67 | 1.2% | n/a |
| RXVT3HHDH510L-an | New Rider for New Rider for 2018 | New Rider for 2018 | Safe Harbor preventative Rx list for qualified HDHP's (VT3HHDH53EXLE) | HDHMO | \$18.23 | 1.2% | n/a |

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| Exhibit 4c -- Rx Riders (Q3 2018) |
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Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between July 1, 2018 - September 30, 2018

| HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|----------------------|------------|------------|-----------------------------------|--------------|---------------------------|------------------|---------------------------|
| RXVT3HMB500ZL V2-500 | V500 | V500 | \$10/\$30/\$50 | HMO | \$50.68 | 8.3% | 8.3% |
| RXVT3HMB501ZL V2-501 | V501 | V501 | \$10/30%/50% | HMO | \$44.45 | 8.3% | 8.4% |
| RXVT3HMB502ZL V2-502 | V502 | V502 | 50% | HMO | \$39.65 | 8.3% | 8.3% |
| RXVT3HMB605ZL V2-605 | V605 | V605 | \$5/\$45/\$90 - \$250 Brand Ded | HMO | \$45.25 | 8.3% | 8.3% |
| RXVT3HDH550L V2-550L | V550L | V550L | Removes MAC Pricing | HMO | \$0.83 | 7.8% | 7.8% |
| RXVT3HDH551L V2-551L | V551L | V551L | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | 9.4% | 9.4% |

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| Exhibit 4c -- Rx Riders (Q4 2018) |
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Large Group VT HMO AR44 Rate Filing
For Effective Dates Beginning Between October 1, 2018 - December 31, 2018

| HMO Rider | 2018 Rider | 2017 Rider | Description | Product Type | Net Required Revenue PMPM | Quarterly Change | Annual Manual Rate Change |
|----------------------|------------|------------|-----------------------------------|--------------|---------------------------|------------------|---------------------------|
| RXVT3HMB500ZL V2-500 | V500 | V500 | \$10/\$30/\$50 | HMO | \$51.29 | 1.2% | 7.7% |
| RXVT3HMB501ZL V2-501 | V501 | V501 | \$10/30%/50% | HMO | \$44.98 | 1.2% | 7.7% |
| RXVT3HMB502ZL V2-502 | V502 | V502 | 50% | HMO | \$40.13 | 1.2% | 7.7% |
| RXVT3HMB605ZL V2-605 | V605 | V605 | \$5/\$45/\$90 - \$250 Brand Ded | HMO | \$45.79 | 1.2% | 7.7% |
| RXVT3HDH550L V2-550L | V550L | V550L | Removes MAC Pricing | HMO | \$0.84 | 1.2% | 7.7% |
| RXVT3HDH551L V2-551L | V551L | V551L | Change mail copay from 2.5 to 2.0 | HMO | \$0.35 | 0.0% | 6.1% |