STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: MVP Health Plan Large Group Point of Service Rider Portfolio	)))	Docket No. GMCB-003-21rr SERFF NO: MVPH-132718695

DECISION AND ORDER

Introduction

Health Insurers must submit major medical rate filings to the Green Mountain Care Board, which must approve, modify, or disapprove each filing within 90 calendar days of receipt. 8 V.S.A. § 4062(a)(2)(A). On review, the Board must determine whether the proposed rate is affordable, promotes quality care, promotes access to health care, protects insurer solvency, and is not unjust, unfair, inequitable, misleading, or contrary to Vermont law. 8 V.S.A. § 4062(a)(3).

This decision pertains to the rate filing by MVP Health Plan (MVPHP, or "the carrier") for optional point of service riders for its existing HMO products for coverage year 2021. The riders provide out-of-network coverage to supplement the in-network benefits offered by the large group plans.

Procedural History

On February 12, 2021, the Board received a filing via the System for Electronic Rate and Form Filing (SERFF) from MVPHP for its existing HMO products for coverage year 2021.[1] On February 10, 2021, the Office of the Health Care Advocate (HCA), a special project within Vermont Legal Aid that represents the interests of Vermont health insurance consumers, entered an appearance as a party. On April 12, the Department of Financial Regulation (DFR) filed its analysis and opinion regarding the filing's impact on the carrier's solvency. On April 13, 2021, the Board posted to its website an actuarial memorandum prepared by Lewis & Ellis (L&E), the Board's contract actuaries. The Board received no public comment on the filings. Pursuant to GMCB Rule 2.000, § 2309(a)(1), the parties waived a hearing and filed memoranda in lieu thereof.

Findings of Fact

1. MVPHP is a non-profit health benefit plan provider who provides large group coverage to employers in Vermont as well as individual and small group coverage sold on Vermont Health Connect (VHC). MVP's large group HMO product portfolio

[1] The SERFF filings, as well as documents referenced in this Decision and Order, can be found in the rate review section of the Board's website at http://ratereview.vermont.gov/MVPH-132718695

is comprised of both high deductible health plans and non-high deductible health plans. L&E Memo at 1.

2. The purpose of this filing is to demonstrate the development of, and seek approval for, the manual rates for MVPHP's Large Group point of service (POS) riders to provide out-of-network coverage as a supplement to the in-network coverage. *Id.*

3. The riders of this filing are not standalone products and must be purchased in conjunction with base major medical coverage (approved in GMCB-008-20rr; SERFF No. MVPH-132497714). The rates for the riders are set as a percentage of the medical and pharmacy manual rates under the Large Group HMO plan. *Id.* at 2.

4. The cost of the riders in this filing are proposed as a percentage of the manual rate premium, ranging from 1.6% to 3.6% and averaging 2.8%. The cost of the riders as a percentage of the manual rate is not proposed to change from the percentages approved in the prior filing (GMCB-007-19rr; SERFF No. MVP-132046387). *Id.* at 1.

5. There are currently 6 members with the POS rider. MVP receives total annual premium of approximately $1,000 for these riders. The average rate change proposed is -3.4%. *Id.*

6. MVP does not have a credible block in Vermont. Therefore, the percentages were developed based on New York experience, which is fully credible with over 17,000 members. *Id.* at 2.

7. MVP determined the out-of-network utilization as a percentage of the in-network utilization to determine the average out of network load. MVP then used its benefit relativity model to determine the relativity of out-of-network benefits in Vermont as compared with New York and then normalized the load for benefit relativity. *Id.*

8. L&E believes that the filing does not produce rider premium rates that are excessive, inadequate, or unfairly discriminatory. L&E recommends approval of the rates as filed. *Id.* at 3.

9. Pursuant to 8 V.S.A. § 4062(a)(2)(B), DFR provided the Board with an assessment of the impact of the proposed filing on the carrier's solvency. DFR noted the uncertainty caused by the COVID-19 pandemic, including the costs of treating COVID-19 infected patients in both the short and long term, the ability of individuals and businesses to afford health insurance premiums in light of current economic conditions, and whether the reduction of medical services during the pandemic reflects medical services deferred or permanently foregone. DFR emphasized the impact of these unsettled items on MVPHP's finances and the resulting uncertainty of their impact on MVPHP's solvency. DFR's opinion is that the proposed rate will not have a negative impact on MVPHP's solvency. DFR Solvency Analysis at 1, 3.

REVIEW PROCESS

The Board reviews rate filings to determine whether a proposed rate is "affordable, promotes quality care, promotes access to health care, protects insurer solvency, and is not unjust, unfair, inequitable, misleading, or contrary to the laws of this State" and is not "excessive, inadequate, or unfairly discriminatory." 8 V.S.A. § 4062(a)(3); GMCB Rule (Rule) 2.000, § 2.301(b). Although the latter terms- excessive, inadequate, or unfairly discriminatory- are defined actuarial standards, other standards by which the Board reviews rate filings are "general and open-ended," the result of "the fluidity inherent in concepts of quality care, access, and affordability." *In re MVP Health Insurance Co.*, 203 Vt. 274, 284 (2016). The Board additionally takes into considerations changes in health care delivery, changes in payment methods and amounts, and other issues in its discretion. 18 V.S.A. § 9375(b)(6); Rule 2.000, § 2.401.

In arriving at its decision, the Board must consider DFR's analysis and opinion regarding the impact the proposed rate will have on the insurer's solvency and reserves. 8 V.S.A. § 4062(a)(2)(B), (3). The Board must also consider any public comments received on a rate filing. 8 V.S.A. § 4062(c)(2)(B); Rule 2.000, § 2.201. The burden falls on the insurer to justify its requested rate. Rule 2.000, § 2.104(c).

Conclusions of Law

We adopt our actuaries' recommendation and approve the large group POS rider filing submitted by MVPHP for existing HMO products for coverage year 2021. We conclude that the rate is not excessive, inadequate, or unfairly discriminatory. Findings of Fact (Findings), ¶ 8. It will not have a negative impact on MVPHP's solvency or reserves. Findings, ¶ 9.

ORDER

For the reasons discussed above, we approve as filed the MVPHP large group POS riders for existing HMO products for coverage year 2021.

SO ORDERED.

Dated: May 7, 2021
Montpelier, Vermont

s/ Kevin Mullin, Chair)
)
s/ Jessica Holmes)
)
s/ Robin Lunge)
)
s/ Tom Pelham)
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s/ Maureen Usifer)

GREEN MOUNTAIN CARE BOARD OF VERMONT

Filed: May 7, 2021

Attest: s/ Jean Stetter
Green Mountain Care Board
Administrative Services Director

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