



Consumer Disclosure about Proposed Health Insurance Rate Increase VT 2023 ACA Small Group Exchange Rate Filing

About Us

MVP Health Plan, Inc. is a non-profit health care payer operating in Vermont and New York. MVP's mission is to provide high quality and affordable health care with a focus on wellness to our members.

Why We Are Changing Our Premiums

MVP must obtain approval from the Green Mountain Care Board for the health insurance premium rates charged. MVP files annual premium rates for the Exchange which are guaranteed for 12 months. This rate filing seeks approval of MVP's 2023 Small Group Exchange rates for effective dates of coverage between January 1, 2023 and December 31, 2023. The premium rates filed reflect MVP's current estimate of the cost to provide health insurance for that coverage period. The filed premium rates may be higher or lower than the previously filed premium rates, however, premium rates generally increase over time. Changes in the filed premium rates (relative to previously approved rates) are driven by many factors, including:

-Increases in base period experience. Premium rates are increasing by **15.3%** because our estimate of 2022 claims are higher than expected compared to the previous year.

-Increases in cost and utilization of services. The cost and utilization of medical and pharmacy services generally increase over time. Premium rates are increasing by **7.4%** because of this estimated trend in 2023.

-Impact of the Federal Risk Adjustment Program. The federal risk adjustment program seeks to "level the playing field" among insurers. MVP has enrolled a population of higher-risk members, so it will receive money from the program, decreasing premium rates by approximately **5.0%**.

-Impact of the COVID-19 pandemic. MVP is assuming that cost and utilization of services related to COVID-19 will decrease in 2023. This decreases the premium rate by **1.2%**.

-Changes in the cost of doing business. As the cost of doing business rises over time, MVP must collect a portion of the premium revenue to protect consumers by ensuring its solvency. MVP aligned its administrative costs with the expected cost of the small group market. These changes are worth approximately **0.4%** of a premium increase.

Conclusion

The proposed rates reflect an average rate adjustment to prior rates of 16.6%, ranging from 8.9% to 19.8%. There are 1,445 policyholders, 12,538 subscribers and 20,900 members impacted by this rate filing.

Vermonters can provide public comment on the proposed rate increases during the public comment period beginning on May 9th. For information about providing public comment, please visit https://ratereview.vermont.gov/public_comment