

STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

In re: MVP Health Plan, Inc.)	GMCB-005-22rr
2023 Individual Market Rate Filing)	
)	SERFF No. MVPH-133238186
)	
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In re: MVP Health Plan, Inc.)	GMCB-006-22rr
2023 Small Group Market Rate Filing)	
)	SERFF No. MVPH-133238198

HCA QUESTIONS FOR MVP HEALTH PLAN, INC.

The Office of the Health Care Advocate (HCA) submits to the Green Mountain Care Board (GMCB) the following actuarial and non-actuarial questions for MVP Health Plan, Inc. (MVP) in the above captioned matters.

1. Assume MVP’s proposed 2023 rates for the individual market are approved. Please provide two tables—one for if ARPA enhancements to APTC are renewed for 2023, the other for if ARPA enhancements to APTC are allowed to expire—showing the percentages by which 2023 premiums for each of your plans will increase over 2022 premiums. Please present the data as an estimated range for the following 2022 FPL income bands: 133%-150% FPL; 150%-200% FPL; 200%-250% FPL; 250%-300% FPL; 300%-400% FPL; 400% and higher.
2. Please provide a citation to the CMS projection for 2023 that MVP uses to support a 52% utilization of COVID vaccines, an assumption of 1.4 shots per member, and an assumed \$104 cost per shot. Individual Actuarial Mem. 4; Small Group Actuarial Mem. 4. Please also provide the detail behind MVP’s calculation. Did MVP consider that Vermont has a higher vaccine level than the national average and adjust down accordingly? Is variation in uptake between initial doses and boosters incorporated into MVP’s calculations?

3. Regarding 2023 hospital budgets, MVP states that it utilizes its “best estimate” of future budgeted changes. Individual Actuarial Mem. 5; Small Group Actuarial Mem. 5. Please specify how this best estimate relates to filed and approved hospital budgets.
4. Please provide MVP’s internal medical utilization trend for its Vermont block of business referenced on page 5 of the individual and small group market actuarial memorandums, but not relied upon by MVP for rate setting purposes because “the data still lacks necessary stability.” Individual Actuarial Mem. 5; Small Group Actuarial Mem. 5.
5. Regarding Rx trend factors in the individual market, MVP states that “to project rebates, MVP has taken the experience period rebates as a percentage of the experience period allowed claims (28.9%) and applied that percentage to the rating period allowed claims. This represents MVP’s best estimate of future rebates that will be shared between the PBM and MVP.” Individual Actuarial Mem. 6. For the small group market, this percentage is 29.4%. Small Group Actuarial Mem. 6. Please provide an estimate of the percentage of Rx rebates that MVP takes versus those that the PBM takes. If it is not possible to provide such an estimate, please state why. If MVP captured 100% of the Rx rebate and applied it to reducing the rates, how much lower would the proposed 2023 rate increases be for the individual and small group markets? Please also explain further and provide the data showing how MVP derives an “average annual allowed Rx trend” that is lower than the “average annual paid Rx trend net of rebates” in both the individual and small group markets. Individual Actuarial Mem. 6; Small Group Actuarial Mem. 6.
6. MVP sets forth administrative expenses in each of the last three years for its individual, small group, and combined business. Individual Actuarial Mem. 8; Small Group Actuarial Mem. 8. Are those expenses for Vermont alone, or are they for MVP’s

Vermont and New York business combined? If the data is for MVP's combined Vermont and New York business, please provide data for administrative expenses attributable to Vermont alone.

7. For the individual market, MVP presents a significant increase in administrative costs of about 10%. Individual Actual Mem. 8. Please provide a detailed reconciliation by expense type and identify if the change is driven by increase in cost, change in corporate allocation, or enterprise membership decline.
8. Please detail the actual or expected amount and the actual or expected receipt date of all monies that MVP is seeking or has received related to cost sharing reduction (CSR) litigation and risk-corridor litigation. How much, if anything, does MVP project it will recover in connection with such litigation in 2022 and 2023? How if at all are recoveries in connection with risk-corridor litigation or CSR litigation reflected in MVP's rate filings?
9. MVP reports for the small group market that it expects to pay \$7.8 million into the risk adjustment transfer pool for 2021 and projects a payment of \$8.9 million into the pool for 2022. Small Group Actuarial Mem. 6. Yet the plain language summary reports MVP "will receive money from the program, decreasing premium rates by approximately 5.0%." Similarly, MVP reports for the individual market that it expects to pay \$13.3 million into the risk adjustment transfer pool for 2021 and projects it will pay \$15 million into the pool for 2022. Individual Actuarial Mem. 6. Yet the plain language summary reports MVP "will receive money from the program, decreasing premium rates by approximately 4.8%." Please explain how MVP's payment into the risk adjustment transfer pool results in a reduction in premium rates.

10. MVP states that it is adding a 1.5% contribution to reserves/risk charge to its Vermont Exchange rates “to meet statutory reserve requirements for MVP's VT block of business.” Individual Actuarial Mem. 8; Small Group Actuarial Mem. 8. Please cite the statute setting forth such requirements for MVP's Vermont block of business.
11. How much investment income did MVP earn on the investments that support the surplus for MVP’s Vermont block of business in 2020 (actual), 2021 (actual), 2022 (estimated) and 2023 (estimated)? How, if at all, is the investment income that supports the surplus for the Vermont block of business reflected in the rate filings?
12. Please provide evidence of your claims optimization activity by describing programs and providing estimated return on investment (ROI). In addition, please identify real trend offsets included in the current year rates due to new care, utilization, or disease management activities; and provide an update on OneCare Vermont contracting activity and any estimated savings this contracting might create.

Dated in Montpelier, Vermont, this 6th day of June 2022.

s/ Jay Angoff
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CERTIFICATE OF SERVICE

I, Eric Schultheis, hereby certify that I have served the above **HCA Questions for MVP Health Plan, Inc.** on Michael Barber, Green Mountain Care Board General Counsel; Laura Beliveau, Green Mountain Care Board Staff Attorney; and Gary Karnedy, Ryan Long, and Maggie Eckles, Primmer Piper Eggleston & Cramer PC, representatives of MVP Health Care in the above-captioned matters, by electronic mail, delivery receipt requested, this 6th day of June, 2022.

s/ Eric Schultheis

Eric Schultheis

Staff Attorney

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