

EXHIBIT 13a: NUMERICAL SUMMARY AND RATE INDICATION CALCULATION

NUMERICAL SUMMARY

Company Name: MVP Health Plan
NAIC Code: 95521
SERFF Tracking #: MVPH-131481104
Market Segment: Individual



- 1 Please complete the Numerical Summary below as well as the Narrative Summary (a separate attachment) for each market segment for which a rate filing is being submitted.
- 2 The Narrative Summary must be in plain English and should clearly and simply explain the reasons for the requested rate adjustment (This should be included in the provided blank template "2019 Exhibit 13b - Narrative Summary.docx")
- 3 The purpose of the Narrative Summary is to provide a written explanation to the company's policyholders to help them understand the reasons why a rate increase is needed.
- 4 The purpose of the Numerical Summary is to provide a clear and simple overview of the requested rate adjustment.
- 5 These Summaries (with the exception of the Rate Indication Calculation Section) will be public documents and will be posted on DFS's website and furnished by DFS to the public upon request.
- 6 The company should submit these Summaries to DFS ten (10) days before submitting a rate adjustment filing.
- 7 A draft of these Summaries and of the Initial Notice must be included in a "Prior Approval Pre-filing" submitted to DFS via SERFF.
- 8 Once reviewed by DFS, these Summaries must be posted to a location on its website that is publicly available and accessible without the need for a user ID/password.
- 9 Links should be provided on key pages of the company's website so that the information may be easily located.
- 10 Any change(s) made to the Narrative Summary/Numerical Summary subsequent to the posting must be submitted to DFS with the specific change(s) identified.
- 11 Rate Change Adjustment calculations between Year 2018 and 2019 should be based on the DFS Membership Survey data as of 3/31/2018.
- 12 This exhibit must be submitted as an Excel file and as a PDF file.

A. Average 2018 and 2019 Premium Rates:

- 1 Average Premium Rates are as calculated in Row 30 of the appropriate columns in Exhibit 13c (Columns L-Q for 2018 and Columns U-Z for 2019)
- 2 Premium Rates for 2019 should be Consistent with the Premium Rates reflected in Exhibit 23.

	Average Individual Rate Platinum	Average Individual Rate Gold	Average Individual Rate Silver	Average Individual Rate Bronze	Average Individual Rate Catastrophic
2018 Weighted Average Base Premium Rates	\$760.75	\$666.83	\$561.77	\$467.80	\$267.97
2019 Weighted Average Base Premium Rates	\$911.23	\$750.94	\$606.50	\$441.92	\$262.19

B. Weighted Average Annual Percentage Requested Adjustments:

	2018 to 2019	2018 Weighted Average PMPM Rate All - Metals	2019 Weighted Average PMPM Rate All - Metals
Requested Rate Adjustment	6.53165%	\$520.36	\$554.35

C. Weighted Average Annual Percentage Adjustments for each of the Past Two Years [If Applicable]*:

	2016 to 2017	2017 to 2018
Average Rate Adjustment Requested	6.08272%	13.54939%
Average Rate Adjustment Approved	6.02986%	14.38697%

D. Average Medical Loss Ratios [MLR] for All Policies Impacted [Ratios of Incurred Claims to Earned Premiums] [If Applicable]*:

	2015	2016	2017
MLR	0.6917691	0.8719636	0.9598551

E. Claim Trend Rates and Average Ratios to Earned Premiums [Per Exhibit 19 for 2017-2019 and Comparable Exhibits for 2017] [If Applicable]*:

	2017	2018	2019
Annual Claim Trend Rates	8.264%	7.514%	7.889%
Expense Ratios	0.1069880	0.1109903	0.1094884
Pre Tax Profit Ratios	0.0200000	0.0150000	0.0150000

* If product was not offered in a particular year, indicate "N/A" in the applicable box.



EXHIBIT 13b: NARRATIVE SUMMARY

Company Name:	<u>MVP Health Plan, Inc.</u>
NAIC Code:	<u>95521</u>
SERFF Tracking #:	<u>MVPH-131481104</u>
Market Segment:	<u>Individual</u>

Generally, once a year MVP files for a change to the current premium rates on file for their products based on a review of the adequacy of the rate level. Premiums need to be sufficient to cover all medical and pharmacy claims submitted from the covered members, as well as cover the administrative cost of operations, Federal and New York State taxes/assessments levied and New York State statutory reserve requirements.

MVP is proposing a premium rate adjustment effective as of January 1, 2019. Policyholders will be charged the proposed premium rates upon renewal in 2019 pending New York State's Department of Financial Services (DFS) review. There are 19,530 policyholders and 29,455 members currently enrolled in Individual MVP Health Plan, Inc. benefits. The proposed premium rate adjustment represents an average increase of 6.5%.

Premium changes will vary by plan design and are being driven by cost-sharing modifications, regional adjustments, and DFS' directive to set premium rates based on prescribed premium scale. DFS' prescribed premium scale is having an adverse impact on platinum and gold metal level premium rates, and it is mitigating the premium rate change for bronze metal level plans.

Premium rates are increasing due to the rising cost and utilization of medical services and prescription drugs (+7.9%), the ACA Individual Mandate Repeal (+4.6%) and an increase to administrative charges (+1.2%). Offsetting these increases is a temporary moratorium of the Federal Insurer Tax (-1.0%), the assumed repeal of DFS' ACA risk transfer adjustment (-2.0%), plan retirements not reflected in the average proposed rate increase (-2.1%) and a change in our claim projection from prior year (-1.8%).