



Green Mountain Care Board

**Medicaid Advisory Rate Case of ACO
Services**

**REVIEW OF ONECARE'S ALL-INCLUSIVE
POPULATION BASED PAYMENT**

JACQUELINE LEE, FSA, MAAA
LEWIS & ELLIS, INC.

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EXECUTIVE SUMMARY

The Green Mountain Care Board (GMCB, Board) is required by law to review any all-inclusive population-based payment arrangement between the Department of Vermont Health Access (DVHA) and accountable care organizations (ACOs) effective for Calendar Year 2020. The Board's review shall include the number of attributed lives, eligibility groups, covered services, elements of the per-member, per-month (PMPM) payment, and any other non-claims payments.

GMCB engaged Lewis & Ellis, Inc. (L&E) to provide a review of the payment arrangement between DVHA and the ACO OneCare Vermont. This report is the documentation of the review and recommendations to the Board that may be passed on to DVHA and its actuary, Wakely Consulting Group (Wakely), prior to the issuance of the final capitation rates and report.

This year, an additional population was attributed to the ACO (Expanded population) and will be covered in the 2020 coverage year alongside the Traditional population. This resulted in an additional 12 rates for the newly attributed populations. For the Traditional population, a new Medicaid Eligibility Group (MEG) was added as well.

The capitation rates were similar in methodology for both populations, but the Expanded population had varying ACO efficiency factors and included an expansion claims factor to account for the newly attributed lives. The rates can be seen in the report and have been agreed upon between both DVHA and OneCare.

The following table shows the rate change between the 2019 rates and the negotiated 2020 rates. These overall rates include both the Traditional population and the Expanded population. The rates have been blended based on the projected member months. The overall rate change is 5.4%, and the rates range between -1.1% to 21.6% by category.

Rate Change – Traditional & Expanded Populations				
	2019 Capitation Rates	2020 Capitation Rates	Projected 2020 Member Months	Rate Change
ABD (Adult & Child)	\$547.46	\$623.79	75,989	13.9%
New Adult	\$355.63	\$351.69	435,199	-1.1%
Non-ABD Adult	\$355.63	\$432.52	91,366	21.6%
Non-ABD Child	\$121.30	\$129.99	553,370	7.2%
Total	\$256.06	\$269.83	1,115,924	5.4%

REVIEW OF ONECARE'S ALL-INCLUSIVE POPULATION BASED PAYMENT

BACKGROUND

OneCare Vermont has been operating as an accountable care organization (ACO) for the past several years in Vermont. Since 2017, OneCare has participated in a population-based payment model with the Department of Vermont Health Access (DVHA) that is similar to the Centers for Medicare & Medicaid Services (CMS) Next Generation ACO Model. As part of this model, OneCare receives monthly capitation rates for all services covered under this program. As part of this endeavor, DVHA engaged Wakely Consulting Group (Wakely), an actuarial firm, to develop and certify to these capitation rates for OneCare. As part of this development, Wakely and DVHA have collaborated with OneCare and their actuaries, Milliman.

SCOPE OF WORK

The Green Mountain Care Board (GMCB) is required by law¹ to review any all-inclusive population-based payment arrangement between DVHA and accountable care organizations effective for calendar year 2017 and beyond. The Board's review shall include the number of attributed lives, eligibility groups, covered services, elements of the per-member, per-month payment, and any other non-claims payments.

GMCB engaged Lewis & Ellis, Inc. (L&E) to provide a review of the payment arrangement between DVHA and OneCare Vermont. This report is the documentation of the review and recommendations to the Board that may be passed on to DVHA and Wakely prior to the issuance of the final capitation rates and report. The recommendations presented to DVHA are intended to be advisory and non-binding.

METHODOLOGY

2020 CHANGES

L&E and GMCB worked with Wakely and DVHA to understand the process they were using and obtain data used to calculate the capitation payments. This year, there were 3 changes to the program that impacted the capitation rate development. The changes included the addition of an expanded population, the splitting of a Medicaid Eligibility Group (MEG) into two rates, and the introduction of claim truncation in the capitation rate development.

EXPANDED POPULATION

Beginning in coverage year 2020, an additional population will be attributed to the ACO. This population will be referred to as the "Expanded" population, and the originally attributed population will be referred to as the "Traditional" population. The Traditional population's eligibility was based on an attributable claim during the attribution period (1/1/2016 – 6/30/2018) and enrolled as of October 1, 2019. The Expanded population will include:

- Members with no Qualifying Evaluation and Management (QEM) claims in the attribution period,
- Members with no claims during the attribution period,
- Members with claims in the attribution period that have third party liability (TPL), but no longer have TPL coverage as of October 1, 2019 and

¹ 18 V.S.A. § 9573; 2017 Vt. Acts & Resolves, No. 3 (Budget Adjustment Act), § 80.

- New Medicaid members between July 1 and October 1, 2019.

The Expanded population was evaluated separately from the Traditional population and will result in 12 new rates.

NEW MEG

In prior years, there was a Medicaid Eligibility Group (MEG) for Consolidated Adult. In the 2020 coverage year, the Consolidated Adult MEG will be split into New Adult and Non-Aged, Blind, Disabled Adult (Non-ABD Adult).

CLAIM TRUNCATION

As suggested by OneCare, Wakely truncated member claim experience to smooth outliers. This is a common practice in pricing throughout other lines of business. The intention is to remove outliers that could cause significant increases to rates that are not likely to be repeated in future time periods.

2020 FINAL RATES AND RATE CHANGES

The table below shows the historical rates and the proposed 2020 rates for the Traditional Population. Note that the new MEGs have been added, and the rates in prior years are the same since they were combined into 1 rate.

Capitation Rates for Traditional Population				
	2017 Capitation Rates	2018 Capitation Rates	2019 Capitation Rates	2020 Capitation Rates
ABD (Adult & Child)	\$616.07	\$615.90	\$547.46	\$651.52
New Adult	\$376.49	\$360.43	\$355.63	\$384.08
Non-ABD Adult	\$376.49	\$360.43	\$355.63	\$483.43
Non-ABD Child	\$120.97	\$118.88	\$121.30	\$133.79

The next table shows the change in rates for the Traditional population.

Rate Change – Traditional Population				
	2019 Capitation Rates	2020 Capitation Rates	Projected 2020 Member Months	Rate Change
ABD (Adult & Child)	\$547.46	\$651.52	66,798	19.0%
New Adult	\$355.63	\$384.08	327,550	8.0%
Non-ABD Adult	\$355.63	\$483.43	44,869	35.9%
Non-ABD Child	\$121.30	\$133.79	490,904	10.3%
Total	\$245.73	\$275.98	930,121	12.3%

The table below shows the rates for the 12 new rate categories for the Expanded population.

Capitation Rates for Expanded Population			
	Claims/No QEMs	No Claims	Prior TPL & New Member
ABD (Adult & Child)	\$463.41	\$283.43	\$548.21
New Adult	\$273.38	\$168.01	\$323.02
Non-ABD Adult	\$343.41	\$210.54	\$406.01
Non-ABD Child	\$95.22	\$59.80	\$111.91

This table shows the rate changes between the 2019 Traditional population rates and the newly Expanded populations, aggregated by anticipated population.

Rate Change – Expanded Population				
	2019 Capitation Rates²	2020 Capitation Rates	Projected 2020 Member Months	Rate Change
ABD (Adult & Child)	\$547.46	\$422.26	9,191	-22.9%
New Adult	\$355.63	\$253.13	107,649	-28.8%
Non-ABD Adult	\$355.63	\$383.39	46,497	7.8%
Non-ABD Child	\$121.30	\$100.17	62,466	-17.4%
Total	\$298.61³	\$244.43	225,803	-18.1%

² Based on the 2019 Traditional Population

³ This differs from the prior table because it is based on the Expanded population's anticipated 2020 membership.

The final blended rates and rate changes can be seen below.

Rate Change – Traditional & Expanded Populations				
	2019 Capitation Rates⁴	2020 Capitation Rates	Projected 2020 Member Months	Rate Change
ABD (Adult & Child)	\$547.46	\$623.79	75,989	13.9%
New Adult	\$355.63	\$351.69	435,199	-1.1%
Non-ABD Adult	\$355.63	\$432.52	91,366	21.6%
Non-ABD Child	\$121.30	\$129.99	553,370	7.2%
Total	\$256.06⁵	\$269.83	1,115,924	5.4%

The final rates were developed based on the following rate ranges.

Capitation Rates – Low Range				
	Expansion - Claims/No QEMs	Expansion - No Claims	Expansion - Prior TPL & New Member	Traditional Population
ABD (Adult & Child)	\$458.92	\$279.34	\$543.54	\$633.66
New Adult	\$271.20	\$165.32	\$321.08	\$375.03
Non-ABD Adult	\$341.78	\$208.19	\$404.72	\$472.80
Non-ABD Child	\$92.41	\$56.72	\$109.22	\$128.26

Capitation Rates – High Range				
	Expansion - Claims/No QEMs	Expansion - No Claims	Expansion - Prior TPL & New Member	Traditional Population
ABD (Adult & Child)	\$479.59	\$299.47	\$585.38	\$659.75
New Adult	\$283.22	\$177.24	\$345.47	\$389.92
Non-ABD Adult	\$357.60	\$223.54	\$436.35	\$492.32
Non-ABD Child	\$97.14	\$61.42	\$118.13	\$133.90

The 2020 rate ranges result in rate changes between 2.7% to 7.4% from low to high when compared to the final 2019 capitation rates.

⁴ Based on the 2019 Traditional Population

⁵ This differs from the prior table because it is based on the combination of the Traditional and Expanded populations' anticipated 2020 membership.

2020 ASSUMPTIONS

For both populations, the 2020 capitation development begins with calendar year 2018 claims and are projected to 2020. The tables below show the change in base period experience from the 2019 rate development to the 2020 rate development.

Historical Experience				
	2019 Cap Dev Base Experience (CY2017)		2020 Cap Dev Base Experience (CY2018)	
MEG	MMs	Paid PMPMs	MMs	Paid PMPMs
ABD (Adult & Child)	58,843	\$534.11	65,065	\$640.73
New Adult	288,847	\$318.87	310,883	\$369.14
Consolidated Adult	65,238	\$399.26	70,215	\$462.21
Consolidated Child	417,422	\$109.90	461,822	\$121.48

Change		
MEG	MMs	Paid PMPMs
ABD (Adult & Child)	11%	20%
New Adult	8%	16%
Consolidated Adult	8%	16%
Consolidated Child	11%	11%

PROJECTION

The base period data was projected to calculate 2020 capitation rates for both the Traditional and Expanded populations. The projection factors included:

- Completion of Claims
- Truncation Adjustment
- Trend
- Expansion Claims Adjustment
- ACO Efficiency
- Population Adjustments
- Administrative Expenses
- Risk Charge

For the Expanded population, a claims adjustment factor is also applied to account for the difference in this population.

COMPLETION OF CLAIMS

Typically, health claims can take up to 12 or 18 months to be fully reported and paid. Because the runout on the Calendar Year (CY) 2018 is through August (or 8 months), an adjustment factor needed to be applied to the CY2018 experience to estimate completed claims for the base year. For 8 months of runout Wakely's assumption for the completion of claims ranges from 0.2% to 0.8% by MEG and is 0.3% overall. L&E considers this to be with their reasonableness range of 0.0% to 1.0% based on general industry knowledge and professional experience.

TRUNCATION ADJUSTMENT

As suggested by OneCare, Wakely truncated member experience to smooth outliers. The truncation point was \$200K for ABD and \$100K for all other MEGs. To develop the adjustment factor, Wakely used the base period claim by member, truncated member claims if they were greater than the truncation point and compared the total truncated claims by MEG to the non-truncated claims. Wakely's truncation adjustment used in the capitation rate development ranges from -3.1% to -1.7% by MEG and is -2.6% overall. Wakely's methodology and adjustment appear to be reasonable and appropriate.

TREND

In order for the historical experience to be representative of costs in the projection year, the data needed to be trended forward to account for changes in utilization, unit cost due to provider contracting (or fee schedules), unit cost due to mix, and intensity of the services provided. Wakely's assumption for the total trend ranges from 1.2% to 3.9% by MEG, ranging from 1.7% to 2.7% overall. The breakdown of the trend assumption range across all MEGs is provided in the table below.

Wakely's Overall Trend Range		
	Low	High
Utilization	0.5%	1.7%
Unit Cost	0.7%	2.2%
Total	1.2%	3.9%

The range of utilization trend between 0.5% and 1.7% is consistent with the utilization trend assumed in the 2019 rate development based on industry research such as surrounding states' Medicaid trends, etc. The negotiated utilization trend is 1.3%. Wakely was provided unit cost trends (repricing) by Burns & Associates (Burns). Burns used the claim level detail to re-adjudicate claims to 2019 and then supplied factors to project to 2020. The unit cost trend assumed in the 2020 rate development of 1.2% is slightly lower than the unit cost trend assumed in the 2019 rate development of 2.0%. The negotiated total trend of 2.4% falls within Wakely's trend range.

ACO EFFICIENCY

One of the responsibilities of the ACO is to achieve cost savings through high quality coordinated care. Another adjustment to the base period experience seeks to account for the anticipated cost savings for the ACO that is not accurately reflected in the base period experience. As with prior years, Wakely received information from Burns to help determine the anticipated savings for the ACO. Wakely's assumptions reflect that members see peak savings in year 2 of attribution and no longer see savings in year 4 and after. A significant portion of the population is in year 4. This assumption varies between the Traditional and Expanded populations.

For the Traditional population, Wakely's assumption for the ACO efficiency ranges from -2.3% to -0.2% by MEG, ranging from -1.6% to -0.6% overall. This range is consistent with the ACO efficiency assumed in the 2019 rate development.

For the Expanded population, Wakely's assumption for the ACO efficiency ranges from -1.9% to -0.2% by MEG, ranging from -1.7% to -0.4% overall.

The overall negotiated ACO efficiency factor for the Traditional population is 0.2% and for the Expanded population is -1.0%. L&E notes that this assumption continues to be outside of Wakely's range for the

Traditional population. L&E believes that these efficiencies are conservative estimates. It is likely that the longer members are attributed to OneCare that efficiencies will continue in the longer term. It should be noted that as the program matures these efficiencies will be reflected in the base period data and eventually lead to lower trends. Wakely's assumptions appear to be reasonable and appropriate for the ACO Efficiency.

POPULATION ADJUSTMENTS

It is a common practice to adjust historical experience for anticipated changes in population. The base claims experience needs to account for the changes in membership throughout the projection period. These changes in membership lead to changes in the paid claims PMPM. Wakely determined monthly attrition assumptions to trend the population to the midpoint of 2019.

Wakely's assumption for the population adjustment ranges from -1.0% to 1.8% by MEG, ranging from -0.5% to 1.3% overall. L&E believes that Wakely applied a reasonable approach to estimate the anticipated population changes.

ADMINISTRATIVE EXPENSES AND RISK RETENTION

For the Traditional population, DVHA and OneCare Vermont have agreed to \$3.50 fixed PMPM and a 1.1% variable trend to pay for general administrative expenses, care coordination, provider contracting, call center, and the informatics platform. The overall administrative PMPM is approximately \$6.50, which is consistent with the assumption in the 2019 rate development. OneCare's administrative functions are currently being used by the company, and the administrative services are limited in nature.

OneCare's administrative rate of \$6.50 PMPM, or about 3.0% in total, appears to be reasonable and not excessive. The risk assumption of 0.25%, which is a decrease from the 2019 rate development, also appears to be reasonable and not excessive.

For the Expanded population, the average PMPM is roughly \$5.00 PMPM. This is lower than the Traditional population but still appears to be reasonable.

Capitation Rate Development – Traditional Population				
	ABD Adult & Child	New Adult	Non-ABD Adult	Non-ABD Child
2018 Base Claims Experience PMPM	\$640.73	\$369.14	\$462.21	\$121.48
Completion Adjustment (IBNP)	1.008	1.003	1.002	1.002
Truncation Adjustment	0.973	0.975	0.983	0.969
2-Year Utilization Trend	1.024	1.023	1.021	1.034
2-Year Unit Cost Trend	1.014	1.018	1.016	1.044
ACO Efficiency Adjustment	0.986	0.991	0.990	0.997
Population Adjustment	0.995	1.009	1.012	1.013
2020 Estimated Claims PMPM	\$639.39	\$375.49	\$473.53	\$128.52
Administrative Cost PMPM	\$3.50	\$3.50	\$3.50	\$3.50
Variable Admin	1.1%	1.1%	1.1%	1.1%
Risk Capital	0.25%	0.25%	0.25%	0.25%
2020 Capitation Rate – Traditional Population Only	\$651.52	\$384.08	\$483.43	\$133.79

EXPANSION CLAIM ADJUSTMENT

This adjustment is for the Expanded population only. To account for the costs of members with no experience period claims data and the other newly attributed lives, an expansion claim adjustment was applied to the existing Traditional population rate to estimate the cost and resulting rate for this Expanded population in 2020.

Wakely's assumption for the population adjustment ranges from -56.2% to -11.0% by MEG and is -28.1% overall. Wakely developed this adjustment based on data provided by DHVA on the members in this population and DHVA's expected claims for this population in 2020. L&E believes that Wakely applied a reasonable approach to estimate the anticipated population changes.

Capitation Rate Development – Expanded Population				
	ABD Adult & Child	New Adult	Non-ABD Adult	Non-ABD Child
2018 Base Claims Experience PMPM	\$640.73	\$369.14	\$462.21	\$121.48
Completion Adjustment (IBNP)	1.008	1.003	1.002	1.002
Truncation Adjustment	0.973	0.975	0.983	0.969
2-Year Utilization Trend	1.024	1.023	1.021	1.034
2-Year Unit Cost Trend	1.014	1.018	1.016	1.044
Population Adjustment	0.995	1.009	1.012	1.013
ACO Efficiency Adjustment	0.983	0.990	0.989	0.994
Expansion Claim Adjustment	0.659	0.669	0.808	0.770
2020 Estimated Claims PMPM	\$414.93	\$248.09	\$376.45	\$97.08
Administrative Cost PMPM	\$1.62	\$1.59	\$1.51	\$1.85
Variable Admin	1.4%	1.4%	1.4%	1.2%
Risk Capital	0.0%	0.0%	0.0%	0.0%
2020 Capitation Rate – Expanded Population Only	\$422.26	\$253.13	\$383.39	\$100.17

RISK ARRANGEMENT

For the Traditional population, the risk arrangement remains the same in 2020 as it was in 2019. This arrangement holds OneCare responsible for any profits or losses within 4.0% of the target. DVHA is responsible for any additional payments in the event of more than 4.0% of losses and requires OneCare to pay back a portion of the capitation rate in the event of profits in excess of 4.0%.

For the Expanded population, the risk arrangement holds OneCare responsible for profits up to 2.0% and losses up to 1.0%. DVHA is responsible for additional payments beyond the 1.0% losses, and OneCare is required to pay a portion of the capitation rate if profits exceed 2.0%.

Evaluation of the risk arrangement using specific data was outside the scope of this assignment. This risk corridor structure eliminates potentially great losses by having lower shares for OneCare. The most pertinent concern surrounding new capitated arrangements is whether the rate is sufficient to cover all required services. This risk corridor protects OneCare Vermont from large losses.

CONCLUSIONS AND RECOMMENDATIONS

L&E has not found any material errors in the rate case development performed by Wakely for DVHA.

DATA RELIANCE

Wakely provided all data and information utilized by L&E during this analysis.

L&E heavily relied on Wakely's assistance in order to understand the negotiation process that directly impacted the final rates. DVHA and Wakely have been working with OneCare Vermont and Milliman (OneCare's actuaries) for the past couple months, discussing most components of the rates in great detail, and these discussions did not include L&E. Therefore, L&E spent a significant amount of time reviewing overall methodologies with Wakely. Wakely provided prompt and thorough responses and was readily available via phone call on short notice to provide clarifications and explanations, as needed. Below we outline the various assumptions that were impacted by these conversations.

Milliman and Wakely were engaged in an extensive process to ensure that the base data was appropriate and based on the anticipated covered benefits, which L&E has relied upon.

For the general administrative expenses and risk corridor arrangement, L&E relied on Wakely's data analysis and presence at negotiations to provide insight into the figures and arrangements agreed upon by OneCare and DVHA.

L&E was presented with several challenges during the review. In order to better understand the methodology of the review, it is important to outline the challenges first:

- L&E received the first set of assumptions and data in early December. This is the latest L&E has been involved in the process. Therefore, L&E performed a review of the final rates and their development. L&E did not audit or perform an independent scrubbing of the data. Instead, L&E discussed Wakely's methodology and process of setting the rate.
- OneCare Vermont and DVHA were in active negotiations during most of Wakely's analysis time.
- L&E received the last data file on January 29, 2020. Therefore, L&E's review time was limited and constrained to the information that was provided.

LIMITATIONS

The contents of this report are intended for the Green Mountain Care Board to advise the Department of Vermont Health Access DVHA and its actuaries before finalizing the all-inclusive population-based payment arrangement effective in 2020. The Board may distribute this report to those parties stated above, in which case it will be provided in its entirety including all assumptions, caveats, and limitations. In addition, we request that the Board or any recipient notify Lewis & Ellis, Inc. to whom it was distributed.

L&E was not able to deliver a timely report to the Board due to the delayed nature of this project. OneCare and DHVA were in active negotiations throughout January, which prohibited L&E and the Board from delivering recommendations to DHVA by the end of December. It is highly likely that recommendations from the Board and L&E will be received by Wakely, DHVA, and OneCare after rates have been finalized.

Any distribution of this report should be made in its entirety. In addition, any third party with access to this report acknowledges, as a condition of receipt, that L&E does not make any representations or warranty as to the accuracy or completeness of the material. Any third party with access to these materials cannot bring suit, claim, or action against L&E, under any theory of law, related in any way to this material.

To the best of our knowledge, our determinations were made in accordance with generally accepted actuarial principles and practices. The American Academy of Actuaries (Academy) requires its members to perform professional services only when qualified to do so, and to meet certain qualification standards.

The Academy prescribes qualification standards for individuals who issue prescribed statements of actuarial opinion. This report is not a prescribed statement of actuarial opinion. I certify that I am a member of the Academy, that I am qualified to review this work, but this report and any recommendations should not be considered an actuarial opinion.

The Board has agreed to pay Lewis & Ellis, Inc. a fee for preparing this report. Other than with regard to that contract, L&E is financially and organizationally independent from the Board and any entity or individual related to the Board. There is nothing in our relationship with the Board that would impair or seem to impair the objectivity of our work.

EXHIBIT 1: ASOP 41 DISCLOSURES

The Actuarial Standards Board (ASB), vested by the U.S.-based actuarial organizations⁶, promulgates actuarial standards of practice (ASOPs) for use by actuaries when providing professional services in the United States. Each of these organizations requires its members, through its Code of Professional Conduct⁷, to observe the ASOPs of the ASB when practicing in the United States.

The ASOPs are not narrowly prescriptive and neither dictates a single approach nor mandates a particular outcome. ASOPs are intended to provide actuaries with a framework for performing professional assignments and to offer guidance on relevant issues, recommended practices, documentation, and disclosure. Each ASOP articulates a process of analysis, documentation, and disclosure that, in the ASB's judgment, constitutes appropriate practice within the scope and purpose of the ASOP.

ASOP 41 provides guidance to actuaries with respect to actuarial communications and requires certain disclosures which are contained in this Exhibit.

Identification of the Responsible Actuary

The responsible actuary is Jacqueline B. Lee, FSA, MAAA, Vice President and Principal of Lewis & Ellis, Inc. This actuary is available to provide supplementary information and explanation.

Identification of Actuarial Documents

The date of this document is January 31, 2020, its subject is the estimation and recommendation regarding the 2020 all-inclusive population-based payment arrangement (capitation rate) for OneCare Vermont, and the document version identification is Version #1 (1/31/2020 1:54 PM).

Disclosures in Actuarial Reports

- The contents of this report are intended for the Green Mountain Care Board.
- The purpose of this engagement is to provide the Green Mountain Care Board with an estimation, recommendation, and guidance on the 2020 all-inclusive population-based payment arrangement (capitation rate) for OneCare Vermont.
- The projections included in this report involve estimates of historical PMPMs, trends, truncation adjustments, ACO efficiency adjustments, population adjustments, expansion claims adjustment, administrative expense, and risk expense. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The results are not to be used for any purpose other than to provide the Board with guidance and recommendations to send to the Department of Vermont Health Access (DVHA) regarding the 2020 capitation rates for OneCare Vermont. These communications should not be relied upon for any other purpose.
- The responsible actuary identified above is qualified as specified in the *Qualification Standards* of the American Academy of Actuaries.
- The Green Mountain Care Board has agreed to pay Lewis & Ellis, Inc. a fee for preparing this report. Other than with regard to that contract, we are financially and organizationally independent from the Board. There is nothing in our relationship with the Board that would impair or seem to impair the objectivity of our work.
- The Green Mountain Care Board, Department of Vermont Health Access and Wakely Consulting provided the claims data, enrollment, and other information used to prepare our report. We have

⁶ The American Academy of Actuaries (Academy), the American Society of Pension Professionals and Actuaries, the Casualty Actuarial Society, the Conference of Consulting Actuaries, and the Society of Actuaries.

⁷ These organizations adopted identical *Codes of Professional Conduct* effective January 1, 2001

reviewed the data for reasonableness but have not audited it. To the extent that there are material inaccuracies in the data, our results may be accordingly affected.

- The date through which data or other information has been considered in developing the findings included in this report is January 31, 2020.
- We are not aware of any subsequent events that may have a material effect on the actuarial findings.
- The various documents comprising this actuarial report are contained within the document to which these disclosures are attached.

Actuarial Findings

The actuarial findings of the report can be found in the body of this report, as well as the attached exhibits.

Methods, Procedures, Assumptions, and Data

The methods, procedures, assumptions and data used by the actuary can be found in body of this report, as well as the attached exhibits.

Assumptions or Methods Prescribed by Law

This actuarial memorandum was prepared in accordance with generally accepted actuarial principles.

Responsibility for Assumptions and Methods

The actuary does not disclaim responsibility for material assumptions or methods.

Deviation from the Guidance of an ASOP

The actuary has not deviated materially from the guidance set forth in an applicable ASOP.