REPORT ON EXAMINATION

OF

MVP HEALTH PLAN, INC.

AS OF

DECEMBER 31, 2013

DATE OF REPORT	**June 19, 2015**
EXAMINERS	**ELSAID ELBIALLY, CFE**
	JEFFREY USHER, AFE

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June 19, 2015

Honorable Anthony J. Albanese
Acting Superintendent of Financial Services
Albany, New York 12257

Sir:

Pursuant to the provisions of the New York Insurance Law, and acting in accordance with the instructions contained in Appointment Number 31186, dated April 30, 2014, attached hereto, we have made an examination into the financial condition and affairs of MVP Health Plan, Inc., a not-for-profit health maintenance organization (HMO) with a certificate of authority issued pursuant to the provisions of Article 44 of the New York Public Health Law, as of December 31, 2013. The following report is respectfully submitted thereon.

The examination was conducted at the home office of MVP Health Plan, Inc., located at 625 State Street, Schenectady, New York.

Wherever the designations "MVPHP" or the "HMO" appears herein, without qualification, they should be understood to indicate MVP Health Plan, Inc.

Wherever the designation "the MVP Companies" appears herein, without qualification, it should be understood to indicate MVP Health Plan, Inc., MVP Health Insurance Company and MVP Health Services Corp., collectively.

Wherever the designation “MVP” appears herein, without qualification, it should be understood to indicate to MVP Health Care, Inc., the ultimate parent.

Wherever the designation the “Department” appears herein, without qualification, it should be understood to indicate the New York State Department of Financial Services.

A separate market conduct examination of MVPHP was conducted as of December 31, 2013 to review the manner in which MVPHP conducted its business practices and fulfilled its contractual obligations to policyholders and claimants. A separate report will be submitted thereon.

Concurrent financial and market conduct examinations were made of MVP Health Insurance Company (“MVPHIC”), a New York for-profit insurance company licensed pursuant to the provisions of Article 42 of New York Insurance Law and MVP Health Services Corp. (“MVPHSC”), a not-for-profit corporation licensed pursuant to the provisions of Article 43 of New York Insurance Law. These two companies are affiliates within the MVP holding company system as detailed herein. Separate reports thereon have been submitted for each of the above entities.

1. SCOPE OF EXAMINATION

We have performed a multi-state examination of MVP Health Plan, Inc. The previous examination covered the period of January 1, 2008 through December 31, 2010. This examination of the HMO was a financial examination as defined in the National Association of Insurance Commissioners ("NAIC") *Financial Condition Examiners Handbook, 2014 Edition* (the "Handbook") and it covered the three-year period from January 1, 2011 through December 31, 2013. The examination was conducted observing the guidelines and procedures in the Handbook. Where deemed appropriate by the examiners, transactions occurring subsequent to December 31, 2013, were also reviewed.

The examination was conducted using a risk-focused basis in accordance with the provisions of the Handbook, which provides guidance for the establishment of an examination plan based on the examiners' assessment of risk in the HMO's operations and utilizes that evaluation in formulating the nature and extent of the examination. The examiners planned and performed the examination to evaluate MVPHP's current financial condition, as well as to identify prospective risks that may threaten the future solvency of MVPHP.

The examiners identified key processes, assessed the risks within those processes and assessed the internal control systems and procedures used to mitigate those risks. The examination also included an assessment of the principles used and significant estimates made by management, an evaluation of the overall financial statement presentation, and determined management's compliance with the Department's statutes

and guidelines, Statutory Accounting Principles, as adopted by the Department, and NAIC annual statement instructions.

Information concerning MVPHP's organizational structure, business approach and control environment was utilized to develop the examination approach. The examination evaluated MVPHP's risks and management activities in accordance with the NAIC's nine branded risk categories.

These categories are as follows:

- Pricing/Underwriting
- Reserving
- Operational
- Strategic
- Credit
- Market
- Liquidity
- Legal
- Reputational

The HMO was audited annually, for the years 2011 through 2013, by the accounting firm of PricewaterhouseCoopers LLP ("PwC"). The HMO received an unqualified opinion in each of those years. Certain audit work papers of PwC were reviewed and relied upon in conjunction with this examination. A review was also made of the ultimate parent's (MVP Health Care, Inc.) corporate governance structure, which included its internal audit function, enterprise risk management program and model audit rule (Insurance Regulation No. 118) compliance, as they relate to MVPHP.

This report on examination is confined to financial statements and comments on those matters which involve departures from laws, regulations or rules, or which require explanation or description.

The examiners reviewed the corrective actions taken by the HMO with respect to the recommendations concerning financial issues contained in the prior report on examination. The result of the examiners' review is contained in item 5 of this report.

2. DESCRIPTION OF THE HMO

MVP Health Plan, Inc. is a New York State not-for-profit corporation certified as a health maintenance organization to deliver health care services in New York and Vermont.

MVP Health Plan, Inc. was incorporated on July 30, 1982, pursuant to Section 402 of the New York Not-For-Profit Corporation Law, for the purpose of operating as a health maintenance organization, as such term is defined in Article 44 of the New York Public Health Law. The HMO's incorporators were the board of directors of the Schenectady County Foundation for Medical Care, Inc., a non-profit physicians association. Simultaneous with the incorporation of the HMO, the incorporators formed Mohawk Valley Medical Associates, Inc., a non-profit independent practice association (IPA), pursuant to Section 402 of the New York Not-For-Profit Corporation Law.

MVP Health Plan, Inc. is an IPA model HMO. On March 8, 1982, the HMO and Mohawk Valley Medical Associates, Inc. contracted, through an "Independent Practice

Association (IPA) Service Agreement" to work together to provide for the administration of a comprehensive prepaid program of health care and for the delivery of health services. Subsequently, the HMO made similar arrangements with other independent practice associations to achieve the same goal. This is detailed further under the "Territory and Plan of Operation" section of this report.

On August 30, 2013, the New York State Department of Health ("DOH") approved MVPHP's request to acquire Hudson Health Plan, Inc. ("HHP"). The Department had issued a non-objection letter to DOH on August 29, 2013 relative to this acquisition. MVPHP is the sole corporate member of Hudson Health Plan, Inc. a Tarrytown, New York based Medicaid managed care organization. HHP is a not-for-profit prepaid health services plan that provides state-sponsored Medicaid Managed Care, Child Health Plus, and during the examination period, Family Health Plus insurance coverage to its members in New York's Hudson Valley region.

MVPHP transferred $26 million to MVP in two transactions: February 2011 ($22 million) and July 2011 ($4 million). Per Department of Health Regulation No. 98 (10 NYCRR 98-1.10(c)), these transfers did not require prior approval.

In December 2011, MVPHP transferred $95 million to MVP to fund statutory reserve requirements and other obligations of certain affiliates. MVP in turn funded MVPHIC $63 million. As a result, MVPHIC was able to adhere to its commitment to maintain a ratio of not more than 8:1 of net premium to capital and surplus. The remainder, $32 million, was sent to the Greater Rochester Health Foundation under the

terms of the 2006 merger agreement between Preferred Care and MVP. The transfer was approved by this Department on December 7, 2011. The Department of Health approved the transfer on December 27, 2011.

A. Corporate Governance

Pursuant to the HMO's Certificate of Incorporation and by-laws, management of the HMO is to be vested in a board of directors consisting of not less than twelve nor more than twenty-five directors. As of December 31, 2013, the board of directors consisted of seventeen members, as set forth below.

Name and Residence	Principal Business Affiliation
Provider Representatives	
Richard D'Ascoli, M.D. Niskayuna, New York	Physician, Orthopedic Surgery, Schenectady Regional Orthopedics Associate, Inc.
Richard F. Gullott, M.D. Scotia, New York	Physician, Internal Medicine, Richard F. Gullott, M.D., P.C.
Herschel Lessin, M.D. Poughkeepsie, New York	Physician, Pediatrics, Children's Medical Group, PLLC
Ernest Levy, M.D. Cooperstown, New York	Physician, Neurosurgery, Retired
Michael S. Schneider, M.D. Rochester, New York	Physician, Internal Medicine, University of Rochester
Enrollees Representatives	
Burt Danovitz Utica, New York	Executive Director, Resource Center for Independent Living

Name and Residence	Principal Business Affiliation
Enrollees Representative Cont'd	
Joseph DePaolis Rochester, New York	President, Consultation Services
Alan P. Goldberg Albany, New York	Financial Services, Investment Banking First Albany Securities
Karen B. Johnson Schenectady, New York	Director of the Capital Campaign, Proctors Theatre Schenectady County Legislator
William J. Reddy Rochester, New York	Retired
Jon K. Rich Alplaus, New York	Retired
Arthur J. Roth Loudonville, New York	Special Tax Consultant, Hodgson Russ, LLP
Community Representatives	
Wallace Altes Troy, New York	Consultant Self-employed
Michael Copeland Rochester, New York	Human Resource Manager, Alstom Signaling Inc.
Lindsay C. Farrell Rochester, New York	President, Open Door Family Medical Center
Ann K. Nolon Peekskill, New York	President, Hudson River HealthCare
Debbie L. Sydow, Ph.D. Abingdon, Virginia	President, Richard Bland College

The composition of the board meets the requirements of the Department of Health Regulation No. 98 (10 NYCRR 98-1.11(g)).

The Board met at least eight times during each calendar year within the examination period. The minutes of all meetings of the board of directors and committees thereof held during the examination period were reviewed. The meetings were well attended, with all directors attending at least one-half of the meetings they were eligible to attend.

The principal officers of the HMO as of December 31, 2013 were as follows:

Name	Title
Denise V. Gonick, Esq.	President and Chief Executive Officer
Dawn K. Jablonski, Esq.	Secretary
Daniel Drislane	Interim Chief Financial Officer

Corporate governance, enterprise risk management ("ERM"), internal audit department ("IAD"), and Insurance Regulation No. 118 processes for the HMO are provided by MVP Health Care, Inc., the ultimate parent of MVPHP.

Enterprise Risk Management

The MVP Companies did not have in place an ERM framework during the examination period to proactively identify and mitigate various business risks, including prospective business risks. In accordance with Insurance Regulation No. 203 (11 NYCRR 82) "Enterprise Risk Management and Own Risk and Solvency Assessment," the HMO's ultimate parent, MVP, is required to adopt a formal enterprise risk management function effective June 25, 2014.

In 2014, the MVP Companies started the process of developing an ERM framework by forming a steering committee and entering into a consultation agreement to guide the MVP companies in establishing and implementing an effective ERM framework. MVP appointed a Chief Risk Officer in July 2014. The examiners noted that the process for completion of the MVP ERM framework is on track with the timeline established by MVP. The timeline is to complete the process in the 3rd quarter of year 2015.

In addition, MVP has established a government affairs department to address emerging policy issues within the health insurance industry and those facing MVP and all of its affiliates, including MVPHP. As issues are identified, MVP establishes leadership teams to gain an understanding of the impact to the MVP Companies. These leadership teams are developed to provide recommendations to the members of the executive team which have the responsibility for MVP's strategy on emerging issues.

Internal Audit Department (IAD)

MVP, the ultimate parent, established an Internal Audit Department to serve all the subsidiaries and affiliates within its holding company system, including MVPHP. The IAD reports to the Audit Committee of the Board of Directors (the "AC") which is comprised entirely of members independent of MVP and MVPHP.

The IAD assists all levels of management by reviewing and testing financial and operational controls and processes established by management to ensure compliance with laws, regulations and policies. The scope of the IAD program is coordinated with PwC,

MVP's independent certified public accountant, to ensure optimal audit coverage and efficiency.

Insurance Regulation No. 118

The HMO's parent, MVPHP Holding Company, Inc., as well as its ultimate parent MVP Health Care, Inc. are both non-publicly traded companies and therefore not subject to the Sarbanes-Oxley Act of 2002. However, the ultimate parent and the New York entities are subject to the provisions of Insurance Regulation No. 118. Insurance Regulation No. 118 (11 NYCRR 89) – "Audited Financial Statements," is similar to the NAIC's Model Audit Rule ("MAR"), and applies to certain New York regulated entities, including MVPHP. Insurance Regulation No. 118 became effective January 1, 2010.

MVP's management of general controls is applied to all its subsidiaries and affiliates, which include the HMO. As part of its Insurance Regulation No. 118 analysis, the risks from various operations were identified and segregated by operational cycles and entity level controls. The IAD performed its own control testing and accumulated its findings. The examiner relied upon work performed by the IAD, as prescribed by the Handbook.

B. Territory and Plan of Operation

The HMO's service area, as stated in its certificate of authority as of December 31, 2013, included the following fifty counties in New York State:

Albany	Genesee	Ontario	St. Lawrence
Broome	Greene	Orange	Sullivan
Cayuga	Hamilton	Orleans	Tioga
Chenango	Herkimer	Oswego	Tompkins
Clinton	Jefferson	Otsego	Ulster
Columbia	Lewis	Putnam	Warren
Cortland	Livingston	Rensselaer	Washington
Delaware	Madison	Rockland	Wayne
Dutchess	Monroe	Saratoga	Westchester
Erie	Montgomery	Schenectady	Wyoming
Essex	Niagara	Schoharie	Yates
Franklin	Oneida	Seneca	
Fulton	Onondaga	Steuben	

The HMO contracted with twelve Independent Practice Associations ("IPAs") to provide a comprehensive prepaid program of health care and the delivery of health services. According to the IPA agreements, the HMO provides all administrative, marketing, enrollment, financial, accounting, claims processing, management information and other functions necessary, convenient or appropriate for the administration of a comprehensive prepaid health program. Each IPA is responsible for establishing contractual relationships with physicians, health care professionals and other providers of health care, and for arranging and facilitating the availability and delivery of health services to members of the HMO.

On March 20, 1993, the HMO was issued a certificate of authority to transact the business of a Health Maintenance Organization in the State of Vermont. The HMO entered into risk sharing arrangements/capitation agreements with Vermont Managed Care (VMC) and United Health Alliance to provide health care services to its members throughout the State of Vermont.

Enrollment as of December 31st for the years under examination and subsequent were as follows:

	2011	2012	2013	2014
New York	267,164	254,529	222,501	219,679
Vermont	540	407	498	7,969
Total members	267,704	254,936	222,999	227,648

The following is a breakdown of MVPHP's enrollment, by line of business, for the period covered by this examination:

Year	Commercial	Point of Service	Medicaid	Child Health Plus	Family Health Plus	Total
2011	104,378	13,384	30,289	2,352	3,012	267,704
2012	93,694	10,174	29,895	2,038	2,811	254,936
2013	86,526	8,005	30,399	1,644	2,968	222,999

In addition, the following is the enrollment for year 2014:

	Family Health Plus	Direct pay off Exchange	Direct pay on Exchange	Large Group	Small Group on Exchange	Healthy New York	Medicare	Medicaid	Child Health Plus	Total
NY	30	8071	25,350	81,363	1,410	2,452	77,742	22,840	421	219,679
VT										7,969
										227,648

A variety of factors have contributed to the membership changes from 2010 to 2014 as noted above. These factors include premium increases in certain product lines throughout the years impacting MVP's competitiveness in the market; a movement of membership from fully insured to Administrative Service Only (ASO) arrangements and small groups dropping insurance coverage during the economic crisis from 2008 to 2012. Other factors include an overall upstate New York population decline and the entrance of

new competitors into the Medicare and Commercial lines of business. The trend to December 31, 2014 has changed as shown in the table above where MVPHP has seen an increase in membership due to Insurance Exchange (New York State of Health) enrollment.

During the examination period, MVPHP solicited business as a direct writer, utilizing in-house licensed agents. The HMO also contracted with licensed brokers for the production of business.

C. Reinsurance

Assumed Reinsurance

The Company did not assume any business during the examination period.

Ceded Reinsurance

At December 31, 2013, the HMO had a reinsurance agreement with Zurich American Insurance Company, an authorized reinsurer. The agreement requires the reinsurer to pay specified percentages of all eligible hospital and medical service claims paid by the HMO during the contract year as follows:

Excess of loss coverages:

Annual Deductibles:

$575,000 of eligible expenses per member in each agreement year for the HMO commercial, Child Heath Plus and Family Health Plus.
$425,000 of eligible expenses per member in each agreement year for Medicare Advantage members.

Annual Reimbursement:

90% of the eligible expenses in excess of the annual deductible for each member in the agreement year, except non-reinsurer approved organ and tissue transplants, which are reimbursable at 60%.

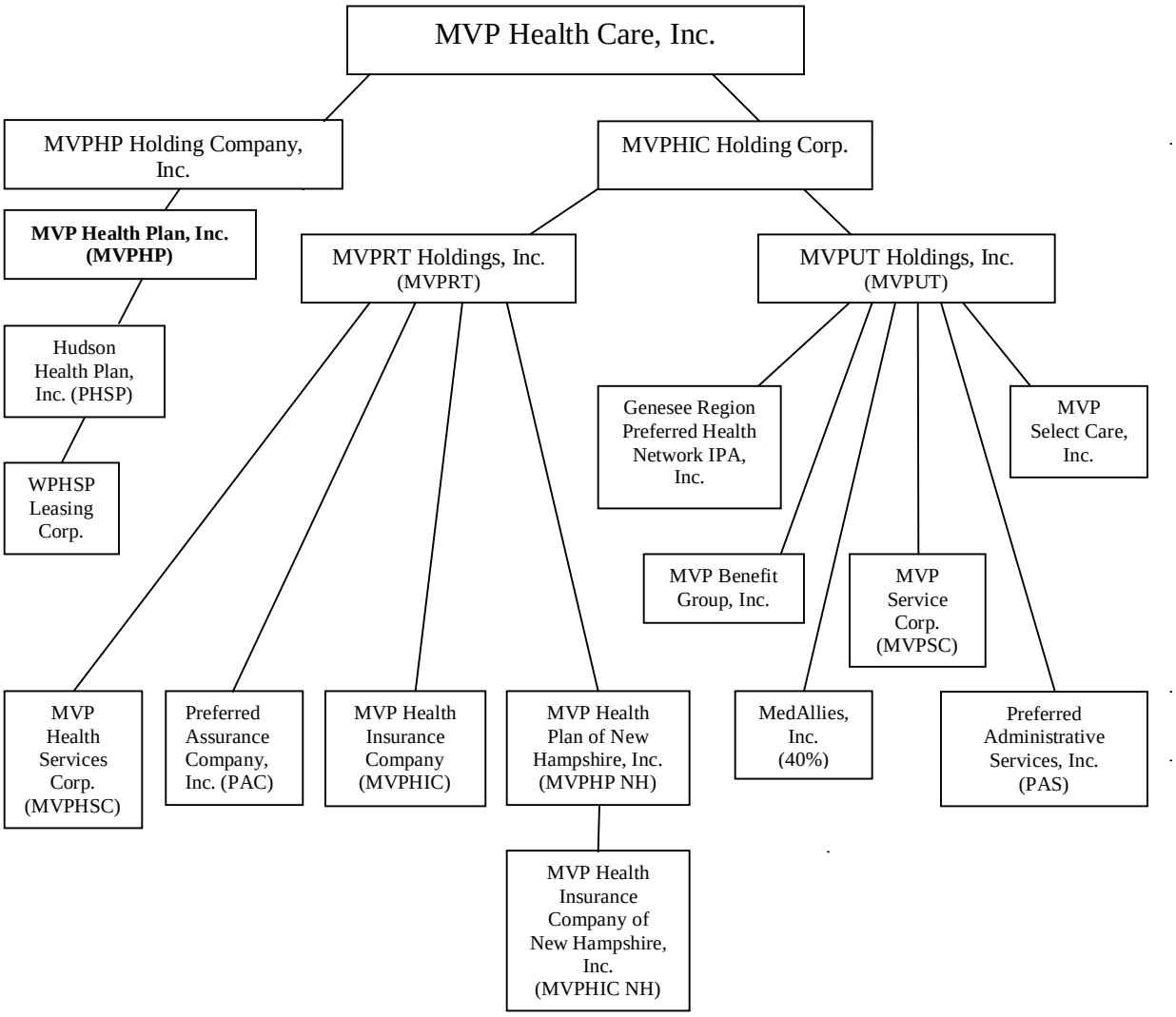
Reimbursement maximum:

$2,000,000 per member, per agreement year.

The reinsurance agreement contained all the required standard clauses, including the insolvency clause required by Section 1308 of the New York Insurance Law.

D. Holding Company System

The following is the organizational chart of MVP Health Care, Inc. and its subsidiaries as of December 31, 2013:



The HMO is a wholly-owned subsidiary of MVPHP Holding Company Inc., which is a wholly-owned subsidiary of MVP Health Care, Inc., the ultimate parent.

MVPHP Holding Company, Inc. ("MVPHPHC")

MVPHP Holding Company, Inc. was formed on December 23, 2005 as a not-for-profit corporation, which is controlled by MVP Health Care, Inc., the ultimate parent. In 2006, MVPHPHC became the immediate parent of MVP Health Plan, Inc.

MVP Health Services Corp. ("MVPHSC")

MVPHSC is a not-for-profit corporation, licensed under Article 43 of the New York Insurance Law. During the examination period, MVPHSC issued only indemnity dental insurance products. MVPHSC is a subsidiary of MVPRT Holdings, Inc., which is a wholly-owned subsidiary of MVPHIC Holding Corp. MVPHIC Holding Corp. is a wholly-owned subsidiary of MVP Health Care, Inc.

MVP Health Insurance Company ("MVPHIC")

MVPHIC is a for-profit New York corporation, wholly-owned by MVPRT Holdings Inc., which is a wholly-owned subsidiary of MVPHIC Holding Corp. MVP Health Care, Inc. is the ultimate parent. MVPHIC was incorporated on April 24, 2000. MVPHIC is licensed in the State of New York as an accident and health insurance company pursuant to Article 42 of the New York Insurance Law. MVPHIC underwrites EPO, PPO, point-of-service (out-of-network) and indemnity only products for large and small groups.

Staffing Services Agreement

The HMO has a management services agreement with MVP Service Corp. ("MVPSC"). MVPSC is wholly-controlled by MVPUT Holdings, Inc. MVPSC's employees perform all the day-to-day operations of the HMO, and charges the HMO for its share of costs based on a contractual cost allocation methodology pursuant to an agreement approved by the Department. The Department approved this agreement on January 1, 2011. The Department of Health approved the agreement on May 17, 2011.

Office Facilities, Equipment and Agreement

During the exam period MVPHP was party to agreements with the following affiliates/subsidiaries:

1. MVP Health Insurance Company
2. MVP Health Insurance Company of New Hampshire, Inc.
3. MVP Health Plan of New Hampshire, Inc.
4. Preferred Assurance Company, Inc.
5. MVP Health Services Corp.
6. MVP Select Care, Inc.
7. MVP Benefit Group, Inc.
8. Genesee Region Preferred Health Network IPA, Inc.
9. MVP Service Corp.
10. Preferred Administrative Services, Inc.
11. PFS Services, Inc.

During the exam period, MVPHP provided the above list of subsidiaries with space, furnishings, equipment, supplies and facilities necessary to operate their businesses. MVPHP bills periodically but not less than quarterly. Agreements Nos. 1-4 were approved by the Department on March 14, 2008. Agreements Nos. 5-11 were approved by the Department on October 29, 2013.

E. Significant Operating Ratios

The underwriting ratios presented below are on an earned-incurred basis and encompass the three-year period covered by this examination:

	Amounts	Percentage
Claims	$4,979,098,536	88.7%
Increase in reserves for accident and health contracts	3,957,634	0.1%
Claims adjustment expenses	144,668,139	2.6%
General administrative expenses	357,312,458	6.4%
Net underwriting gain	125,794,768	2.2%
Net premiums earned	$5,610,831,535	100.0%

3. FINANCIAL STATEMENTS

A. Balance Sheet

The following statements show the assets, liabilities, and surplus as of December 31, 2013, as contained in the HMO's 2013 filed annual statement, a condensed summary of operations and a reconciliation of the capital and surplus account for each of the years under review. The examiners' review of a sample of transactions did not reveal any differences which affected the HMO's financial condition as presented in its financial statements contained in the December 31, 2013 filed annual statement.

The firm of PwC was retained by the HMO to audit the HMO's GAAP basis statements of financial position as of December 31st of each year in the examination period, and the related statements of operations and changes in net assets, and cash flows for the year then ended. A GAAP to statutory footnote has been presented within the financial statements of the HMO for each of the years audited for the changes in capital and surplus.

PwC concluded that the GAAP financial statements presented fairly, in all material respects, the financial position of the HMO at the respective audit dates. Balances reported in these audited financial statements were reconciled to the corresponding years' annual statements with no discrepancies noted.

Assets

Bonds	$194,021,069
Preferred stocks	274,352
Common stocks	41,690,795
Cash and short-term investments	(8,091,007)
Receivables for securities	1,460,212
Aggregate write-ins for invested assets	122,354,762
Investment income due and accrued	949,389
Uncollected premiums	57,361,573
Amounts recoverable from reinsurers	12,337,360
Electronic data processing equipment and software	1,434,300
Receivable from parent, subsidiaries and affiliates	56,307,067
Health care receivable	53,922,386
Aggregate write-ins for other than invested assets	4,210,391
Total assets	$538,232,649

Liabilities	
Claims unpaid	$85,982,487
Accrued medical incentive pool	4,877,228
Unpaid claim adjustment expenses	2,436,000
Aggregate health policy reserves	3,957,634
Premiums received in advance	3,449,164
General expenses due and Accrued	17,617,775
Current federal tax payable and interest thereon on realized capital gains	2,598,005
Amounts due to parent, subsidiaries and affiliates	33,859,162
Payable for securities	2,530,946
Total Liabilities	$157,308,401
Surplus	
New York statutory reserves	$200,604,855
Vermont statutory reserves	300,000
Unassigned funds (surplus)	180,019,393
Total surplus	$380,924,248
Total liabilities, and surplus	$538,232,649

Note: The Internal Revenue Service has not conducted any audits of the income tax returns filed on behalf of the HMO during the period under this examination. The examiner is unaware of any potential exposure of the HMO to any further tax assessment and no liability has been established herein relative to such contingency.

B. Statement of Revenue and Expenses and Change in Surplus

Surplus increased by $51,129,684 during the examination period, January 1, 2011 through December 31, 2013, detailed as follows:

Revenue			
Total revenue			$5,610,831,535
Expenses			
Hospital/medical benefits	$3,986,872,982		
Other professional services	134,458,686		
Emergency room and out of area	98,075,659		
Prescription drugs	689,636,244		
Aggregate write-ins for other hospital and medical	83,304,921		
Incentive pool	27,820,363		
Net reinsurance recoveries	(41,070,319)		
Total hospital and medical		$4,979,098,536	
Administrative expenses			
Claim adjustment expenses	144,668,139		
General administrative expenses	357,312,458		
Total administrative expenses		501,980,597	
Increase in reserves for A&H contracts		3,957,634	
Total underwriting deductions			5,485,036,767
Net underwriting gain			125,794,768
Net investment income earned		22,049,150	
Net realized capital gain (or loss)		20,161,803	
Net investment gains			42,210,953
Aggregate write-ins for other income and expenses			(3,236,537)
Net income before federal income taxes			164,769,184
Federal income taxes incurred			378,570
Net income			$164,390,614

Change in Surplus Account

	Gains in Surplus	Losses in Surplus	
Surplus, per report on examination, as of December 31, 2010			$329,794,564
Net income	$164,390,614		
Change in net unrealized capital gains	11,473,455		
Change in non-admitted assets	18,667,897		
Dividend to MVP Health Care, Inc.		$120,999,999	
Contingency reserves:			
Genesee Region Preferred Health Network IPA, Inc*		22,402,283	
Total gains and losses	$194,531,966	$143,402,282	
Net increase in surplus			51,129,684
Surplus, per report on examination, as of December 31, 2013			$380,924,248

***** The Genesee Region Preferred Health Network IPA, Inc. contingency is utilized to record MVPHP's maximum exposure (above the capitated expense) should PHN not be able to meet their claim payment obligations under the capitated arrangement.

4. COMPLIANCE WITH PRIOR REPORT ON EXAMINATION

The prior report on examination included five (5) recommendations detailed as follows (page number refers to the prior report on examination):

ITEM NO.		PAGE NO.
	Enterprise Risk Management	
1.	It is recommended that the HMO officially appoint a Chief Risk Officer and establish a Risk Committee accountable for the overall ERM function. The RC would report directly to the Board of Directors. *The Company has complied with this recommendation.*	10
	Internal Audit Department	
2.	In order to enhance the independence of the internal audit function, it is recommended that MVP revise the Internal Audit and Audit Committee charters to clearly indicate that the Audit Committee has primary responsibility for the performance evaluation and compensation of the IAD director. *The Company has complied with this recommendation.*	12
3.	It is also recommended that MVP Audit Committee maintains documentation to support the Audit Committee's review of the IAD director's performance. Details for the IAD director's compensation should also be included. *The Company has complied with this recommendation.*	12
	Premium Refund	
4.	It is recommended that the HMO issue premium dividends or credits in the timeframe required by Section 4308(h) (2) of the New York Insurance Law. *The Company has complied with this recommendation.*	22

ITEM NO.		PAGE NO.
	Capitation Agreement	
5.	If MVPHP elects to use such agreement to "transfer risk", it is recommended that MVPHP submit the agreement to the Department for review with a letter specifically requesting the Department's approval of the agreement, as required by Department Regulation No. 164. *The Company has complied with this recommendation.*	23

5. SUMMARY OF COMMENTS AND RECOMMENDATIONS

There are no comments and recommendations for this report on examination.

Respectfully submitted,

/S/

Elsaid E. Elbially, CFE
Principal Insurance Examiner

STATE OF NEW YORK)
) SS.
)
COUNTY OF NEW YORK)

Elsaid E. Elbially, being duly sworn, deposes and says that the foregoing submitted report is true to the best of his knowledge and belief.

/S/

Elsaid E. Elbially, CFE

Subscribed and sworn to before me
This _____ day of _____2015

Respectfully submitted,

_____/S/_____

Jeffrey L. Usher, AFE
Associate Insurance Examiner

STATE OF NEW YORK)
) SS.
)
COUNTY OF NEW YORK)

Jeffrey L. Usher**,** being duly sworn, deposes and says that the foregoing submitted report is true to the best of his knowledge and belief.

_____/S/_____

Jeffrey L. Usher, AFE

Subscribed and sworn to before me
This _____ day of _____2015

APPOINTMENT NO. **31186**

NEW YORK STATE

DEPARTMENT OF FINANCIAL SERVICES

I, ***BENJAMIN M. LAWSKY****, Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:*

Elsaid Elbially

as a proper person to examine the affairs of

MVP Health Plan, Inc

and to make a report to me in writing of the condition of said

HMO

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed my name and affixed the official Seal of the Department at the City of New York

this 30th day of April, 2014

BENJAMIN M. LAWSKY
Superintendent of Financial Services

By: _____

Lisette Johnson
Bureau Chief
Health Bureau