

**Comment #4 – 2/27/15 – 9:04 a.m.**

Comments on Exposure Draft for Determining Minimum Value and Actuarial Value under Affordable Care Act

Comment 1: I was surprised that materiality was not mentioned in the ASOP since within the regulation part of the definition for plan design attributes that would require an adjustment is that they yield a materially different AV. In Section 3.5 I would change the second sentence to read: These assumptions should be reasonable in relation to the materiality of the assumption on the plan's AV or MV. Alternatively, I would suggest an additional item in section 3 on Materiality stating that the setting of assumptions or evaluation of plan design attributes should consider their materiality in light of the purpose of the AVC, setting metal levels, or MVC, establishing a minimum coverage level.

Comment 2: Section 3.6. The sentence "The actuary may use unreasonable results from the AVC or MVC if required to do so by regulators" is too strong. It implies a requirement to assess any plan run in comparison to other plans to determine reasonableness. I think what is actually missing is a second sentence. I would recommend the revised paragraph. "In some circumstances, the AVC or MVC may, in the actuary's professional judgment, produce unreasonable results. In such cases, the actuary may make adjustments in addition to the stated options in section 3.2 and 3.3 for plan design attributes. The actuary may use what they have deemed unreasonable results if required to do so by regulators."

Comment 3: Section 3.6 Last paragraph is redundant with the second paragraph.

Comment 4: Response to questions. I believe the purpose of the ASOP is clear. In terms of abbreviations, I personally prefer using AV and MV to refer to the two calculators and their resultant output but what you did was clear and understandable.

**Heather Waldron FSA MAAA**

**Aetna**

*Shared Services Actuary*