

**Comment #10 – 4/29/16 – 2:25 p.m.**

I have reviewed the exposure draft and have the following editorial comments:

Section 2.11 – there are two periods at the end of the sentence.

Section 3.2.10 – I think the last sentence would read better with a comma in front of “and”

Regarding the items for which specific feedback has been requested –

1. I think it is appropriate to change the language in the first sentence of Section 3.2 from “should consider” to “should include.” To me, a standard of practice is more than a suggestion, so I agree with replacing “consider” with “include,” which is more prescriptive.
2. I believe that the guidance in Section 3.3.6 on provider contractual arrangements is appropriate. The level of detail gives the actuary guidance on what to consider.
3. To me, the required disclosure on provider insolvency risk in Section 3.3.6 is appropriate. Such risk could be material. If material, it should be disclosed.
4. I feel that the methods included in Section 3.4 are appropriate.
5. The level of detail in the methods in Section 3.4 seems right to me.
6. I think the requirement to disclose explicit provision for adverse deviation as discussed in Section 4.1 is appropriate.

Thank you for allowing the membership to comment.

Kelly McKeethan, FCAS, MAAA, CERA  
Sr. Actuary