

State: District of Columbia **Filing Company:** Delta Dental Insurance Company
TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental
Product Name: DDIC, ENT-51PPO-DC-C, Rates
Project Name/Number: DDIC, ENT-51PPO-DC-C, Rates/DDIC, ENT-51PPO-DC-C, Rates

Filing at a Glance

Company: Delta Dental Insurance Company
Product Name: DDIC, ENT-51PPO-DC-C, Rates
State: District of Columbia
TOI: H10G Group Health - Dental
Sub-TOI: H10G.000 Health Dental
Filing Type: Rate
Date Submitted: 10/28/2013
SERFF Tr Num: DDPa-129256621
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: DDIC, ENT-51PPO-DC-C, RATES
Implementation: On Approval
Date Requested:
Author(s): Connie Roth, Noel Brennan, Cassandra Fiorito, Alisa Koelling
Reviewer(s): Darniece Shirley (primary), Alula Selassie, Donghan Xu
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

State: District of Columbia **Filing Company:** Delta Dental Insurance Company
TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental
Product Name: DDIC, ENT-51PPO-DC-C, Rates
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General Information

Project Name: DDIC, ENT-51PPO-DC-C, Rates Status of Filing in Domicile: Not Filed
 Project Number: DDIC, ENT-51PPO-DC-C, Rates Date Approved in Domicile:
 Requested Filing Mode: Review & Approval Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Group
 Submission Type: New Submission Group Market Size: Large
 Group Market Type: Employer, Association, Blanket Overall Rate Impact:
 Filing Status Changed: 10/28/2013
 State Status Changed: Deemer Date:
 Created By: Alisa Koelling Submitted By: Alisa Koelling
 Corresponding Filing Tracking Number:

Filing Description:
 District of Columbia Insurance Department
 Administration Division
 810 1st Street, NE, Suite 701
 Washington, DC 20002

Re: Delta Dental Insurance Company ("DDIC") Form and Rate Filing

Form Name: DC Group Dental Contract, et al
 Form Number: ENT-51PPO-DC-C, et al
 NAIC Number: 81396
 SERFF Tracking Number: DDPA-129256621
 Proposed Effective Date: On Approval

Dear Sir or Madam:

Delta Dental Insurance Company is submitting the above referenced new Large Group (51+ lives) Dental Insurance forms and rates on a review and approval basis. This is not PPACA or ACA related.

The enclosed rates will apply to the forms submitted under SERFF Tracking Number DDPA-129256692, ENT-51PPO-DC-C, et al.

The forms submitted under DDPA-129256692 do not replace any forms on file with your Department and will be used when our dental products are sold to employer/employee groups, labor unions or association groups located in the District of Columbia.

Our effective date for use of these forms and rates will be the earlier of the date the filing is approved or the date it is deemed approved by your Department.

Thank you for assisting us in this filing process. If there are any questions, please contact me at (916) 861-1974 or at akoelling@delta.org.

Sincerely,
Alisa Koelling

State: District of Columbia **Filing Company:** Delta Dental Insurance Company
TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental
Product Name: DDIC, ENT-51PPO-DC-C, Rates
Project Name/Number: DDIC, ENT-51PPO-DC-C, Rates/DDIC, ENT-51PPO-DC-C, Rates

Regulatory Analyst

Company and Contact

Filing Contact Information

Alisa Koelling, Regulatory Analyst akoelling@delta.org
 11155 International Drive 916-861-1974 [Phone]
 Rancho COrdova, CA 95670 916-861-2748 [FAX]

Filing Company Information

Delta Dental Insurance Company	CoCode: 81396	State of Domicile: Delaware
1130 Sanctuary Parkway	Group Code: 2479	Company Type: LAH
Suite 600	Group Name:	State ID Number:
Alpharetta, GA 30009	FEIN Number: 94-2761537	
(770) 641-5217 ext. [Phone]		

Filing Fees

Fee Required? No

Retaliatory? No

Fee Explanation:

SERFF Tracking #:

DDPA-129256621

State Tracking #:**Company Tracking #:**

DDIC, ENT-51PPO-DC-C, RATES

State: District of Columbia**Filing Company:**

Delta Dental Insurance Company

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental**Product Name:** DDIC, ENT-51PPO-DC-C, Rates**Project Name/Number:** DDIC, ENT-51PPO-DC-C, Rates/DDIC, ENT-51PPO-DC-C, Rates

Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Actuarial Memorandum Delta DC Large Group PPO 2013_09_16	ENT-51PPO-DC-C	New		Actuarial Memorandum Delta DC Large Group PPO 2013 09 16.pdf,



ACTUARIAL MEMORANDUM
Delta Dental Insurance Company
State of District of Columbia
September 16, 2013

Form Number ENT-51PPO-DC-C

1. Scope and Purpose of Filing

This rate certification is for the above Delta Dental Insurance Company (DDIC) forms. This rate filing is the first using this form. However, we are not filing a new product from a rating perspective. There are no changes to our manual rates and rating methodology for 2014.

2. Actuarial Certification

I, Thomas J. Leibowitz, FSA, MAAA, am a member of the American Academy of Actuaries, and meet the Academy Qualification Standard for rendering this Opinion.

I have reviewed the actuarial assumptions and methods on which the rates are based. I hereby certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the state of District of Columbia and complies with Actuarial Standard of Practice No. 8. The rates shown are

- Based on actuarially sound principles
- Are not inadequate, excessive or unfairly discriminatory, and
- Are reasonable in relation to the benefits provided.

A handwritten signature in dark ink, appearing to read "Thomas J. Leibowitz". The signature is fluid and cursive, with a long horizontal line extending to the right.

Thomas J. Leibowitz, FSA, MAAA
Vice President and Chief Actuary
Delta Dental Insurance Company
One First Street
San Francisco, CA 94105

State: District of Columbia

Filing Company:

Delta Dental Insurance Company

TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental

Product Name: DDIC, ENT-51PPO-DC-C, Rates

Project Name/Number: DDIC, ENT-51PPO-DC-C, Rates/DDIC, ENT-51PPO-DC-C, Rates

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	Please see the attached Cover Letter.
Attachment(s):	Cover Letter (Rate).pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Submitter is employee of the company.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	Please see the attached Actuarial Memorandum.
Attachment(s):	Actuarial Memorandum Delta DC Large Group PPO 2013 09 16.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	Please see the attached Actuarial Memorandum.
Attachment(s):	Actuarial Memorandum Delta DC Large Group PPO 2013 09 16.pdf
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	We are not a P&C company.
Attachment(s):	
Item Status:	
Status Date:	

SERFF Tracking #:

DDPA-129256621

State Tracking #:

Company Tracking #:

DDIC, ENT-51PPO-DC-C, RATES

State: District of Columbia

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Delta Dental Insurance Company

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Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	We are not a P&C company.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Actuarial Memorandum and Certifications
Bypass Reason:	This filing is not PPACA or ACA related.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	This filing is not PPACA or ACA related.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Rate Manual
Comments:	Please see the attached Rate Manual.
Attachment(s):	DC Rate Manual 2013.pdf
Item Status:	
Status Date:	

October 25, 2013

VIA SERFF

District of Columbia Insurance Department
Administration Division
810 1st Street, NE, Suite 701
Washington, DC 20002

Re: Delta Dental Insurance Company (“DDIC”) Form and Rate Filing

Form Name: DC Group Dental Contract, et al
Form Number: ENT-51PPO-DC-C, et al
NAIC Number: 81396
SERFF Tracking Number: DDPA-129256621 & DDPA-129256692

Proposed Effective Date: On Approval

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Our effective date for use of these forms and rates will be the earlier of the date the filing is approved or the date it is deemed approved by your Department.

Thank you for assisting us in this filing process. If there are any questions, please contact me at (916) 861-1974 or at akoelling@delta.org.

Sincerely,



Alisa Koelling
Regulatory Analyst



ACTUARIAL MEMORANDUM
Delta Dental Insurance Company
State of District of Columbia
September 16, 2013

Form Number ENT-51PPO-DC-C

1. Scope and Purpose of Filing

This rate certification is for the above Delta Dental Insurance Company (DDIC) forms. This rate filing is the first using this form. However, we are not filing a new product from a rating perspective. There are no changes to our manual rates and rating methodology for 2014.

2. Actuarial Certification

I, Thomas J. Leibowitz, FSA, MAAA, am a member of the American Academy of Actuaries, and meet the Academy Qualification Standard for rendering this Opinion.

I have reviewed the actuarial assumptions and methods on which the rates are based. I hereby certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the state of District of Columbia and complies with Actuarial Standard of Practice No. 8. The rates shown are

- Based on actuarially sound principles
- Are not inadequate, excessive or unfairly discriminatory, and
- Are reasonable in relation to the benefits provided.

A handwritten signature in dark ink, appearing to read "Thomas J. Leibowitz". The signature is fluid and cursive, with a long horizontal line extending to the right.

Thomas J. Leibowitz, FSA, MAAA
Vice President and Chief Actuary
Delta Dental Insurance Company
One First Street
San Francisco, CA 94105



ACTUARIAL MEMORANDUM
Delta Dental Insurance Company
State of District of Columbia
September 16, 2013

Form Number ENT-51PPO-DC-C

1. Scope and Purpose of Filing

This rate certification is for the above Delta Dental Insurance Company (DDIC) forms. This rate filing is the first using this form. However, we are not filing a new product from a rating perspective. There are no changes to our manual rates and rating methodology for 2014.

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Thomas J. Leibowitz, FSA, MAAA
Vice President and Chief Actuary
Delta Dental Insurance Company
One First Street
San Francisco, CA 94105

DELTA DENTAL INSURANCE COMPANY

The outline of benefits, coverages, limitations, and exclusions is detailed in Delta Dental Insurance Company Schedule II. The covered benefits are described in Section 1, Part A. These benefits include diagnostic, preventive, basic restorative, major restorative, oral surgery, endodontics, non-surgical periodontics, prosthodontics, orthodontics, surgical periodontics, and general anesthesia. These benefits are subject to the exclusions listed in Section 2, Part A. and the limitations are under Section 2, Part B. The payment for the services to the enrollees is limited by Section 2, Part C. These limitations include deductibles, co-payments, and maximums, with special provisions for workers' compensation, emergency services, and reduction for automobile insurance benefits. Finally, the notification to enrollees is described in Section 2, Part D.

EXPLANATION OF MANUAL RATING METHODOLOGY

The rates for each specific group are calculated using the Manual Rate Calculation Formula. These rates are found by taking the pure rates and multiplying them by the appropriate factors as defined in the plan contract. The pure rates have been developed by Delta Dental Insurance Company and is based on the experience of Delta Dental of Pennsylvania. DDP currently has 2011 claims of \$475 million and covers almost 2,000,000 enrollees.

The pure rates assume 100% payment for covered dental services rendered under a dental program. Factors have been developed that are applied to the pure rate components to adjust these rates for the actual distribution of financial obligation under a specific dental care program. The pure rates assume a contract period of 12 months, during which the rates charged are guaranteed. The pure rates are adjusted for a longer rate guarantee period.

After the pure rates have been adjusted to conform to the specific features of a proposed dental care program, they must be loaded for anticipated administrative expenses. These anticipated expenses are reflected on a percentage of premium, and are inversely proportional to group size. Provision must be made in the final rates charged for a dental care program to allow for a deviation in actual experience to that projected. Risk factors are also based on group size and industry type.

PURE RATES

DELTA DENTAL PREMIER PURE RATES

The following tables will form the monthly base of rate calculation for all new Delta Dental Insurance Company Premier groups. When at all possible, CDT-2013 language is used to describe the procedure categories.

	<u>Employee</u>	<u>Spouse</u>	<u>Dependent</u>
Clinical Oral Evaluations	\$4.560	\$4.581	\$4.302
Radiographs/Diagnostic Imaging	\$3.945	\$3.823	\$2.584
Dental Prophylaxis	\$7.344	\$7.479	\$6.456
Topical Fluoride Treatment	\$0.005	\$0.005	\$1.974
Sealants	\$0.002	\$0.002	\$0.677
Space Maintenance	\$0.002	\$0.002	\$0.078
other diagnostic/preventive services	\$0.188	\$0.188	\$0.059
Diagnostic and Preventive	\$16.046	\$16.080	\$16.130
Basic Restorative	\$3.849	\$3.752	\$2.018
Endodontics	\$5.496	\$5.585	\$1.032
Periodontics–Surgical Services	\$0.637	\$0.667	\$0.087
Non-Surgical Periodontal Service	\$1.736	\$1.650	\$0.073
Oral Surgery–Extractions	\$0.996	\$0.935	\$0.956
Oral Surgery–all other services	\$2.080	\$1.910	\$2.822
Basic Services	\$14.794	\$14.499	\$6.988
Inlay Restorations	\$0.012	\$0.014	\$0.002
Onlay Restorations	\$0.096	\$0.103	\$0.002
Crowns - Single Restorations Only	\$14.492	\$14.852	\$0.752
Recementation	\$0.124	\$0.132	\$0.003
Prefabricated Stainless Steel Crown	\$0.002	\$0.002	\$0.178
Crown Repair	\$0.031	\$0.035	\$0.000
Complete Dentures	\$1.764	\$1.840	\$0.016
Adjustments to Dentures	\$0.005	\$0.007	\$0.000
Repairs to Dentures	\$0.099	\$0.115	\$0.000
Dentures Rebase Procedures	\$0.026	\$0.031	\$0.000
Dentures Reline Procedures	\$0.024	\$0.028	\$0.000
Prosthodontics, fixed	\$2.181	\$2.291	\$0.045
Major Services	\$18.856	\$19.450	\$0.998

DELTA DENTAL PPO PURE RATES

The following tables will form the monthly base of rate calculation for all new Delta Dental Insurance Company PPO groups. When at all possible, CDT-2013 language is used to describe the procedure categories.

	<u>Employee</u>	<u>Spouse</u>	<u>Dependent</u>
Clinical Oral Evaluations	\$4.022	\$4.062	\$4.043
Radiographs/Diagnostic Imaging	\$3.318	\$3.336	\$2.512
Dental Prophylaxis	\$5.122	\$5.348	\$5.122
Topical Fluoride Treatment	\$0.176	\$0.005	\$1.845
Sealants	\$0.082	\$0.002	\$0.723
Space Maintenance	\$0.016	\$0.002	\$0.165
other diagnostic/preventive services	\$0.209	\$0.230	\$0.075
Diagnostic and Preventive	\$12.945	\$12.985	\$14.485
Basic Restorative	\$2.988	\$3.045	\$1.844
Endodontics	\$5.496	\$5.585	\$1.032
Periodontics–Surgical Services	\$0.637	\$0.667	\$0.087
Non-Surgical Periodontal Service	\$1.736	\$1.650	\$0.073
Oral Surgery–Extractions	\$0.996	\$0.935	\$0.956
Oral Surgery–all other services	\$2.080	\$1.910	\$2.822
Basic Services	\$13.933	\$13.792	\$6.814
Inlay Restorations	\$0.003	\$0.005	\$0.002
Onlay Restorations	\$0.026	\$0.040	\$0.002
Crowns - Single Restorations Only	\$12.199	\$13.909	\$0.752
Recementation	\$0.103	\$0.120	\$0.007
Prefabricated Stainless Steel Crown	\$0.071	\$0.002	\$0.545
Crown Repair	\$0.019	\$0.017	\$0.000
Complete Dentures	\$1.764	\$1.840	\$0.016
Adjustments to Dentures	\$0.005	\$0.007	\$0.000
Repairs to Dentures	\$0.099	\$0.115	\$0.000
Dentures Rebase Procedures	\$0.026	\$0.031	\$0.000
Dentures Reline Procedures	\$0.024	\$0.028	\$0.000
Prosthodontics, fixed	\$2.181	\$2.291	\$0.045
Major Services	\$16.520	\$18.405	\$1.369

RIDER PURE RATES

	<u>Adult</u>	<u>Dependent</u>
resin-based composites - posterior	\$1.445	\$0.758
occlusal guard	0.120	0.027
Implant Services	0.450	0.130
Bleaching	0.873	0.000
therapeutic parenteral drugs	0.005	0.006
occlusal adjustment	0.040	0.009
deep sedation/general anesthesia	0.140	0.302
intravenous conscious sedation/analgesia	0.022	0.061
Temporomandibular Joint Dysfunctions	0.030	0.010

ORTHODONTIC PURE RATES FOR DEPENDENT WITH LIFETIME MAXIMUM

<u>Maximum</u>	<u>50/50</u>	<u>60/40</u>	<u>70/30</u>	<u>75/25</u>	<u>80/20</u>	<u>90/10</u>	<u>100/0</u>
\$250	0.510	0.511	0.511	0.511	0.511	0.511	0.512
\$500	1.196	1.202	1.206	1.207	1.208	1.210	1.212
\$600	1.477	1.487	1.493	1.495	1.497	1.501	1.503
\$700	1.757	1.773	1.783	1.786	1.789	1.794	1.798
\$750	1.895	1.916	1.928	1.932	1.936	1.942	1.946
\$800	2.032	2.058	2.073	2.078	2.083	2.090	2.095
\$900	2.295	2.341	2.363	2.371	2.377	2.387	2.394
\$1,000	2.530	2.618	2.652	2.663	2.671	2.684	2.694
\$1,100	2.714	2.880	2.936	2.952	2.964	2.982	2.994
\$1,200	2.844	3.114	3.212	3.236	3.254	3.278	3.294
\$1,250	2.894	3.216	3.345	3.375	3.397	3.425	3.444
\$1,300	2.937	3.306	3.472	3.512	3.538	3.572	3.594
\$1,400	3.008	3.449	3.707	3.772	3.813	3.862	3.891
\$1,500	3.067	3.555	3.904	4.006	4.072	4.146	4.186
\$1,600	3.118	3.636	4.058	4.205	4.307	4.420	4.476
\$1,700	3.164	3.703	4.176	4.364	4.508	4.678	4.759
\$1,750	3.185	3.733	4.224	4.430	4.594	4.799	4.897
\$1,800	3.206	3.761	4.268	4.487	4.671	4.913	5.031
\$1,900	3.245	3.812	4.343	4.584	4.799	5.118	5.288
\$2,000	3.282	3.858	4.407	4.663	4.901	5.288	5.524
\$2,250	3.367	3.961	4.538	4.818	5.088	5.584	5.984
\$2,500	3.445	4.050	4.646	4.938	5.224	5.774	6.273
\$2,750	3.517	4.132	4.740	5.040	5.337	5.916	6.465
\$3,000	3.587	4.208	4.826	5.132	5.435	6.033	6.611
\$3,250	3.653	4.281	4.905	5.216	5.525	6.135	6.733
\$3,500	3.718	4.350	4.981	5.295	5.607	6.228	6.839
\$3,750	3.781	4.417	5.052	5.369	5.685	6.314	6.935
\$4,000	3.842	4.482	5.122	5.441	5.760	6.394	7.024

ORTHODONTIC PURE RATES FOR ADULT WITH LIFETIME MAXIMUM

<u>Maximum</u>	<u>50/50</u>	<u>60/40</u>	<u>70/30</u>	<u>75/25</u>	<u>80/20</u>	<u>90/10</u>	<u>100/0</u>
\$250	0.094	0.094	0.094	0.094	0.094	0.094	0.094
\$500	0.215	0.217	0.217	0.218	0.218	0.218	0.218
\$600	0.265	0.267	0.268	0.268	0.269	0.269	0.270
\$700	0.315	0.317	0.319	0.320	0.320	0.321	0.322
\$750	0.339	0.343	0.345	0.346	0.346	0.347	0.348
\$800	0.363	0.368	0.370	0.371	0.372	0.373	0.374
\$900	0.409	0.418	0.421	0.423	0.424	0.426	0.427
\$1,000	0.450	0.466	0.472	0.474	0.476	0.478	0.480
\$1,100	0.483	0.512	0.522	0.525	0.527	0.530	0.533
\$1,200	0.505	0.553	0.571	0.575	0.578	0.582	0.585
\$1,250	0.514	0.571	0.594	0.599	0.603	0.608	0.612
\$1,300	0.521	0.587	0.616	0.623	0.628	0.634	0.638
\$1,400	0.533	0.612	0.657	0.669	0.676	0.685	0.690
\$1,500	0.543	0.630	0.692	0.710	0.722	0.735	0.742
\$1,600	0.552	0.644	0.719	0.745	0.763	0.783	0.792
\$1,700	0.560	0.655	0.739	0.772	0.798	0.828	0.842
\$1,750	0.563	0.660	0.747	0.784	0.813	0.849	0.866
\$1,800	0.567	0.665	0.755	0.794	0.826	0.869	0.890
\$1,900	0.574	0.674	0.768	0.810	0.848	0.905	0.935
\$2,000	0.580	0.682	0.779	0.824	0.866	0.934	0.976
\$2,250	0.594	0.699	0.801	0.850	0.898	0.985	1.056
\$2,500	0.607	0.714	0.819	0.871	0.921	1.018	1.106
\$2,750	0.620	0.728	0.835	0.888	0.940	1.042	1.139
\$3,000	0.631	0.741	0.850	0.903	0.957	1.062	1.164
\$3,250	0.643	0.753	0.863	0.918	0.972	1.079	1.185
\$3,500	0.654	0.765	0.876	0.931	0.986	1.095	1.203
\$3,750	0.664	0.776	0.888	0.944	0.999	1.110	1.219
\$4,000	0.675	0.787	0.900	0.956	1.012	1.123	1.234

PROGRAM TYPES

DELTA DENTAL PREMIER PROGRAM

The Delta Dental Premier dental benefit program is based on Premier Maximum Plan Allowances (MPA). The Delta Dental Premier pure rates will have a location factor applied to develop the base rate, and then be adjusted by the specific program factors (coinsurance, deductibles, etc.) as described elsewhere in this manual. These benefits are payable whether the enrollee chooses a Premier dentist, PPO dentist or a non-participating dentist. All payments to these dentists are based on the Premier MPA unless otherwise requested. The Premier and PPO dentist cannot balance bill the enrollee. There is no set limit for balance billing by non-participating dentists.

DELTA DENTAL PPO PROGRAM

The Delta Dental PPO is a dental benefit program based on a PPO-MPA, which will be lower than our regular MPA. The Delta Dental PPO pure rates, along with a location factor will form the base rates, and then be adjusted by the specific program factors (coinsurance, deductibles, etc.) as described elsewhere in this manual. These benefits are payable whether the enrollee chooses a participating dentist, a non-participating dentist, or a PPO Dentist. All payments to these dentists are based on the PPO-MPA. The out-of-pocket expense of the enrollee would vary based on the category of dentist visited, vis-à-vis this program. The out-of-pocket expense for a visit to a PPO Dentist would be limited by PPO-MPA allowance. For a visit to a participating dentist, the difference between Delta's normal MPA and the new PPO-MPA increases, but still limits, the out-of-pocket expense. The out-of-pocket expense for services provided by a non-participating dentist would be unlimited since the amount would include the difference between any amount charged by the dentist and the new PPO-MPA.

DELTA DENTAL PPO PLUS PREMIER

The Delta Dental PPO plus Premier feature is a dental program which allows enrollees to benefit from choosing either a Premier or a PPO dentist. These benefits are payable whether the enrollee chooses a Premier dentist, PPO dentist or a non-participating dentist. Payments to PPO dentists are based on the PPO MPA. Unless otherwise requested, Premier and non-participating dentists payments are based on the Premier MPA. PPO and Premier dentists cannot balance bill. There is no set limit for balance billing by non-participating dentists. The group chooses the level of coinsurance, deductible, etc. for each of the dentists. The PPO benefits must be greater than or equal to the Premier benefits which must be greater than or equal to the non-participating benefits. The maximum difference between coinsurance levels is 50%. The pure rates will have a factors applied, as described above, to develop the base rate and then be adjusted by the specific program factors (coinsurance, deductibles, etc.) as described elsewhere in this manual for each of the three types of dentists based on payout. If a group has no experience, a weighted average for the three types will be applied based on DDP 2008 data. The weights are 30% PPO, 50% Premier and 20% non-participating. Existing groups will be weighted based on their actual utilization.

FLEXIBLE DUAL CHOICE PROGRAM WITH A MONTHLY SWITCH OPTION

Flexible Dual Choice Program with a Monthly Switch Option will offer enrollees a choice to enroll in one of two existing Delta programs. The choice will include the DeltaCare USA program and one of Delta's fee-for-service programs (Delta Dental Premier, Delta Dental PPO, etc.). This program provides for the transition between one plan to another by enrollees on a monthly basis; but limits coverage under only one program at a time. All family members must be enrolled under the same dental program and all members must be continuously enrolled in one of the programs at all times. Any treatment in progress must be completed under the program in which treatment was initiated before a switch can occur. There is no coordination of benefits between the two Delta programs. This program will only be available to groups with 100 or more enrollees. The rate will be the weighted average of the two programs using existing enrollment, or a 5% DeltaCare USA and 95% fee-for-service program.

FACTOR TABLES

NATIONAL ACCESS FACTOR

The national access program extends the access of our participating dentist network beyond the District of Columbia, to a multi-state basis.

<u>State</u>	<u>Factor</u>	<u>State</u>	<u>Factor</u>
Alabama	0.638	Nebraska	0.706
Alaska	1.099	Nevada	0.899
Arizona	0.910	New Hampshire	0.921
Arkansas	0.672	New Jersey	0.853
California	1.123	New Mexico	0.902
Colorado	1.001	New York	0.850
Connecticut	1.001	North Carolina	0.663
Delaware	0.844	North Dakota	0.712
Florida	0.860	Ohio	0.644
Georgia	0.748	Oklahoma	0.881
Hawaii	0.777	Oregon	0.952
Idaho	0.871	Pennsylvania	0.574
Illinois	0.823	Puerto Rico	0.439
Indiana	0.629	Virgin Islands	0.804
Iowa	0.636	Rhode Island	0.864
Kansas	0.707	South Carolina	0.736
Kentucky	0.595	South Dakota	0.687
Louisiana	0.709	Tennessee	0.705
Maine	0.798	Texas	0.762
Maryland	0.767	Utah	0.834
Massachusetts	1.018	Vermont	0.838
Michigan	0.835	Virginia	0.747
Minnesota	0.864	Washington	1.225
Mississippi	0.630	West Virginia	0.542
Missouri	0.787	Wisconsin	0.783
Montana	0.728	Wyoming	0.939

LARGE GROUP UNDERWRITING UTILIZATION FACTOR

A large group is defined as a group with one hundred or more primary subscribers. The large group underwriting utilization factor is at the discretion of the underwriter to apply their experience and judgment. It is meant to represent the expected utilization of the group based on claim experience from a prior carrier. It will normally be a factor of 1.00, but could range from 0.50 to 1.50.

INDUSTRY FACTOR

<u>SIC Range</u>	<u>Description</u>	<u>Factor</u>
1000 1499	Mining	0.85
4000 4299	Railroad Transportation/Passenger Transit/Trucking	0.85
4400 4499	Water Transportation	0.85
4600 4699	Pipe Lines, Exc. Natural Gas	0.85
0100 0724	Agricultural Production/Crops & Livestock/Soil Prep Crops	0.90
0900 0999	Fishing, Hunting & Trapping	0.90
1500 1699	General Building Contractors/Heavy Construction Contractors	0.90
0800 0899	Forestry	0.95
1700 1799	Special Trade Contractors	0.95
3200 3569	Stone, Clay & Glass Products/Metal Products & Machinery	0.95
3581 3299	Machines & Industrial Equip	0.95
3900 3999	Misc. Manufacturing Industries	0.95
4900 4999	Electric, Gas & Sanitary Services	0.95
7521 7542	Automobile Parking/Auto Repair Shops/Car Washes	0.95
0751 0752	Livestock Services/Animal Specialty Services	1.03
7200 7217	Laundries, Power Family & Commercial/Cleaners	1.03
7219 7299	Laundry/Garment Services, nec.	1.03
5200 5299	Retail - Building Materials & Garden Supplies	1.03
0741 0742	Vet. Services, Farm Stock & Specialties	1.05
0781 0781	Landscape Counseling	1.05
2100 2199	Tobacco Manufacturers	1.05
2752 2759	Commercial Printing	1.05
4500 4512	Air Transportation, Scheduled	1.05
4581 4599	Airports/Terminal Services	1.05
4700 4725	Travel Agencies/Tour Operators	1.05
5400 5499	Retail - Food Stores	1.05
5700 5799	Retail - Furniture & Home Furnishings Store	1.05
8200 8399	Educational Services & Social Services	1.05
8400 8412	Museum & Art Galleries	1.05
2711 2731	Newspapers/Periodicals/Book Publishing	1.10
4300 4399	U. S. Postal Service	1.10
5300 5399	Retail - General Merchandising Stores	1.10
5600 5699	Retail - Apparel & Accessory Stores	1.10
5900 5999	Miscellaneous Retail	1.10
7291 7291	Tax Return Preparation Services	1.10
7800 7899	Motion Pictures	1.10
4832 4841	Radio Broadcasting Stations/TV Broadcasting/Cable Services	1.15
7900 7922	Dance Halls & Studios/Theatrical Producers	1.15
7933 7999	Bowling Alleys/Sports Clubs/Race Tracks/Gyms/Golf Courses/Amusement	1.15
5500 5599	Retail - Car Dealers	1.20
5800 5899	Retail - Eating & Drinking Places	1.20
6000 6799	Finance, Insurance & Real Estate	1.20
7000 7199	Hotels & Other Lodging Places	1.20
7221 7241	Photographic Studios/Beauty Shops/Barber Shops	1.20
7261 7261	Funeral Service	1.20
7311 7319	Advertising	1.20
7371 7379	Computer Services	1.20
7383 7383	News Syndicates	1.20
7929 7929	Entertainers	1.20
8000 8199	Health Services & Legal Services	1.20
8631 8641	Labor, Civic & Social Organizations	1.20
8699 8799	Membership Organizations, nec./Engineering & Mgmt. Services	1.20
8600 8621	Business Associations & Professional Organizations	1.25
8651 8661	Political & Religious Organizations	1.25

CONTRACT PERIOD FACTOR

<u>Length of Contract</u>	<u>Factor</u>
1 Year	1.0000
2 Years	1.0200

PREMIUM CONTRIBUTION FACTOR

<u>Eligible</u>	<u>Factor</u>
Employee	(4 – [employer paid percent])/3
Dependent	(4 – [employer paid percent])/3

OUT OF NETWORK PROCESSING FACTOR

<u>Ingenix Percentile</u>	<u>Factor</u>
70 th %tile	1.110
75 th %tile	1.120
80 th %tile	1.130
85 th %tile	1.140
90 th %tile	1.150
95 th %tile	1.160

DEDUCTIBLE FACTOR

<u>Deductible</u>	<u>Employee</u>	<u>Spouse</u>	<u>Dependent</u>
\$0	1.000	1.000	1.000
\$10	0.969	0.967	0.956
\$25	0.923	0.917	0.891
\$35	0.893	0.885	0.850
\$50	0.850	0.839	0.792
\$65	0.801	0.797	0.724
\$75	0.783	0.769	0.710
\$100	0.725	0.709	0.646
\$120	0.685	0.668	0.607
\$125	0.676	0.659	0.599
\$150	0.635	0.619	0.566
\$175	0.603	0.588	0.543
\$200	0.578	0.565	0.528
\$300	0.524	0.518	0.505

ANNUAL MAXIMUM FACTOR

$$\text{Annual Maximum Factor} = 1 - \frac{\text{Annual Maximum}}{\text{AAR}}$$

Where AAR is the calculated average annual rate using the basis of the maximum, individual or family

BROKER COMMISSIONS

Brokers may independently negotiate commission rates. Delta Dental Insurance Company's standard commission schedule for the District of Columbia is below.

<u>Group Size</u>	<u>Commission Rate</u>
10 - 49	3.0%
50 - 99	4.0%
100 - 249	5.0%
250 - 499	4.0%
500+	3.0%

RATING METHODS

PROSPECTIVE RATING METHOD

I. Description

Under a Prospective Rating agreement Delta Dental Insurance Company agrees to provide all dental care services provided for in the contract as well as all services necessary for efficient administration of the dental care program in consideration of a monthly premium which is determined based on a rate structure guaranteed for the contract period. Any excess of paid premium over the incurred claim amounts and administrative cost is retained by Delta Dental Insurance Company while any deficit is underwritten by Delta Dental Insurance Company. A Prospective Rating Agreement is not offered to groups with less than 10 Eligible Employees.

II. Rate Development

Guaranteed monthly rates for new groups under a Prospective Rating Agreement are calculated as described under the manual rating method.

<u>Group Size</u>	<u>Admin Charge</u>	<u>Risk Charge</u>	<u>Total Charge</u>
10 - 24	25.8%	5.0%	30.8%
25 - 49	20.9%	4.0%	24.9%
50 - 99	17.6%	3.5%	21.1%
100 - 199	15.2%	3.0%	18.2%
200 - 249	13.4%	2.5%	15.9%
250 - 499	13.4%	2.5%	15.9%
500 - 999	11.9%	2.0%	13.9%
1,000 - 2,499	10.8%	1.5%	12.3%
2,500 - 4,999	9.9%	1.0%	10.9%
5,000 - 9,999	9.0%	1.0%	10.0%
10,000 - 19,999	8.3%	1.0%	9.3%
20,000 - 34,999	7.6%	1.0%	8.6%
35,000 - 49,999	7.0%	1.0%	8.0%
50,000 +	6.5%	1.0%	7.5%

RETENTION RATING METHOD

I. Description

Under a Retention Rating Agreement Delta Dental Insurance Company agrees to provide all dental care services provided for in the contract and retains a flat percentage of paid premium, which is guaranteed for the contract period, for the administrative costs. The balance of paid premium, if any, at the end of the contract period is returned to the group while any deficit is underwritten by Delta Dental Insurance Company. A Retention Rating Agreement is not offered to groups with less than 500 Employees. Delta Dental Insurance Company would require 100% of all employees and their dependents, if dependent coverage is selected.

II. Rate Development

Inherent in the Retention Rating Agreement fund arrangement is the fact that deficits incurred under some Retention Rating Agreements cannot be offset by surpluses realized under others. In order to minimize the possibility of loss under this arrangement, an additional retention risk margin is added to the Pure Rates prior to application of the adjustment factors in arriving at the final monthly rates charged to the group. These margins are as follows, according to group size:

<u>Group Size</u>	<u>Refundable Risk Factor</u>
500 - 749	3.00%
750 - 1499	2.50%
1500 +	2.00%

III. Guaranteed Retention Rate:

Administrative and Retained Risk Factor--The following administrative expense table will be used to load the pure rates for anticipated administrative costs. Due to the Retention Rating Agreement funding arrangement which returns surplus premium but pays excess claims from reserves, a retained risk charge must be included to cover the possible deficits in addition to the administrative charge. These anticipated expenses are reflected as a percentage of premium and are inversely proportional to group size due to fixed costs being spread over a larger allocation base.

<u>Group Size</u>	<u>Administrative Charge</u>	<u>Retained Risk Charge</u>	<u>Guaranteed Retention Rate</u>
500 - 749	10.60%	1.00%	11.60%
750 - 999	10.60%	0.75%	11.35%
1000 - 1499	9.60%	0.75%	10.35%
1500 - 2499	9.60%	0.50%	10.10%
2500 - 4999	8.80%	0.50%	9.30%
5000 +	8.00%	0.50%	8.50%

The above rates can be converted from percent of premium to fee per enrollee by multiplying by the gross premium and dividing by the number of enrollees.

NET PREMIUM RETENTION RATING METHOD

I. Description

Under a Net Premium Retention Rating Agreement Delta Dental Insurance Company agrees to provide all dental care services provided for in the contract and retains a flat percentage of the maximum deposit premium, which is guaranteed for the contract period, for the administrative costs. The deposit premium percentage is chosen by the group and is used to calculate the maximum deposit premium. This deposit premium percentage and the group size determine the applicable risk factor and the administrative rate. If the cost of claims incurred plus the guaranteed retention rate exceed the deposit premium for the settlement period, Delta Dental Insurance Company will invoice the group up to the maximum deposit premium. The balance of the deposit premium, if any, at the end of the contract period is returned to the group while any deficit is underwritten by Delta Dental of the District of Columbia. A Retention Rating Agreement is not offered to groups with less than 500 Employees. Delta Dental Insurance Company would require 100% of all employees and their dependents, if dependent coverage is selected.

II. Refundable Risk Factor

Deposit Premium Percentage	Group Size		
	<u>500 - 749</u>	<u>750 - 1499</u>	<u>1500 +</u>
100%	3.00%	2.50%	2.00%
90%	3.05%	2.55%	2.05%
80%	3.10%	2.60%	2.10%
70%	3.15%	2.65%	2.15%
60%	3.20%	2.70%	2.20%
50%	3.25%	2.75%	2.25%
40%	3.35%	2.85%	2.35%
30%	3.45%	2.95%	2.45%
20%	3.55%	3.05%	2.55%
10%	3.65%	3.15%	2.65%

III. Guaranteed Retention Rate, Administrative and Retained Risk Factor

Deposit Premium Percentage	Group Size					
	<u>500 - 749</u>	<u>750 - 999</u>	<u>1000 - 1499</u>	<u>1500 - 2499</u>	<u>2500 - 4999</u>	<u>5000 +</u>
100%	11.60%	11.35%	10.35%	10.10%	9.30%	8.50%
90%	11.75%	11.50%	10.50%	10.25%	9.45%	8.65%
80%	11.90%	11.65%	10.65%	10.40%	9.60%	8.80%
70%	12.05%	11.80%	10.80%	10.55%	9.75%	8.95%
60%	12.20%	11.95%	10.95%	10.70%	9.90%	9.10%
50%	12.35%	12.10%	11.10%	10.85%	10.05%	9.25%
40%	12.50%	12.25%	11.25%	11.00%	10.20%	9.40%
30%	12.65%	12.40%	11.40%	11.15%	10.35%	9.55%
20%	12.80%	12.55%	11.55%	11.30%	10.50%	9.70%
10%	12.95%	12.70%	11.70%	11.45%	10.65%	9.85%

PROCEDURAL MAXIMUM RATING METHODOLOGY

Approach:

The development of rates for a procedural maximum program involves deriving an appropriate co-insurance level so that the program can be rated normally. This is done by comparing the procedural maximum schedule with the Delta Dental Premier MPA, against a charged fee database. A more detailed description of the calculation follows.

CONVERSION OF PROCEDURAL MAXIMUMS TO EQUIVALENT MPA PROGRAMS

- A) Database: The database will consist of all submitted procedures performed. These procedures will be separated into their respective service categories. For the purposes of the attached example (Exhibit A) only fourteen procedures were used.
- B) Procedural Frequency: The twelve month frequency of each procedure code will be used. (Exhibit A - Columns 1 and 2).
- C) Average Approved Fee: Dentist charges by procedure will be accumulated and will be the basis for the calculation of the average approved fee. The approved fee is defined as the dentist charge adjusted to the MPA or filed fee which ever is lower, prior to any application of contract limitations. (Exhibit B - Column 4).
- D) Procedural Maximum: The maximum allowance for each procedure is then established. This is either an arbitrary dollar amount to create two or more options for purchasers, or through matching current benefits of another carrier. (Exhibit A - Column 4).
- E) Recalculated Procedural Average: Once the procedural maximum has been established, it then replaces any approved fee which is over the maximum limit. Those amounts which fall below the recalculated (Exhibit A - Column 5). An example of the recalculation is shown in Exhibit B - Column 5.
- F) Equivalent Procedural Co-Payment: The calculated co-payment levels on each procedure are then weighted by dividing the recalculated average fee (after applying procedure maximums) by the original average approved fees. (Exhibit A - Column 6).
- G) Categorical Co-payment: The calculated co-payment levels are then weighted by their frequency for each procedure, and then subtotaled by category. This establishes the overall service category co-payment level to be used when calculating the pure rate level. (Exhibit A - Column 7).

Conversion of Procedural Maximums to
Equivalent MPA Coinsurance Levels

Exhibit A

Procedure Code	(1) <u>Frequency</u>	(2) <u>Percent</u>	(3) Average Approved <u>Fee</u>	(4) <u>Procedure Maximum</u>	(5) Average Fee <u>After Max.</u>	(6) Equiv. Co-Pay <u>(5)/(3)</u>	(7) Weighted Co-Pay <u>(2)*(6)</u>
Diagnostic:							
0120	902,492	42.3%	\$27.65	\$20.00	\$18.66	0.6749	
0210	49,987	2.3%	\$87.03	\$65.00	\$63.12	0.7253	
0274	208,892	9.8%	\$41.82	\$27.00	\$26.98	0.6451	
1110	779,758	36.5%	\$52.89	\$38.00	\$36.69	0.6937	
1120	193,474	9.1%	\$38.85	\$28.00	\$27.38	0.7047	
		100.0%					68.3%
Basic:							
2140	41,298	14.7%	\$67.75	\$40.00	\$39.77	0.5870	
2150	57,922	20.7%	\$81.17	\$50.00	\$49.79	0.6134	
2392	57,564	20.5%	\$114.9	\$60.00	\$59.60	0.5187	
3330	19,843	7.1%	\$709.55	\$400.00	\$396.78	0.5592	
4341	33,376	11.9%	\$150.54	\$90.00	\$84.31	0.5600	
7140	70,208	25.1%	\$85.51	\$50.00	\$48.74	0.5700	
		100.0%					56.9%
Major:							
2750	40,605	70.2%	\$716.68	\$300.00	\$299.45	0.4178	
2752	12,894	22.3%	\$673.00	\$250.00	\$249.83	0.3712	
6750	4,365	7.5%	\$707.16	\$300.00	\$299.23	0.4231	
		100.0%					40.8%

Example of Calculation of the Average Approved Fee and
the Average Fee After Applying the Specific Procedure Maximum

Exhibit B

Procedure Number: 0274		Premier MPA: \$43.00	Procedure Maximum: \$27.00	
(1)	(2)	(3)	(4)	(5)
Dentist Charge	Charge Frequency	Total Charges (2)*(1)	Average Approved Fee	Avg. Fee After App. of Max.
less than \$20	171	\$1,948	\$1,948	\$1,948
\$20.00	61	\$1,220	\$1,220	\$1,220
\$21.00	1	\$21	\$21	\$21
\$22.00	9	\$198	\$198	\$198
\$23.00	15	\$345	\$345	\$345
\$24.00	118	\$2,832	\$2,832	\$2,832
\$25.00	702	\$17,550	\$17,550	\$17,550
\$26.00	116	\$3,016	\$3,016	\$3,016
\$27.00	120	\$3,240	\$3,240	\$3,240
\$28.00	365	\$10,220	\$10,220	\$9,855
\$29.00	362	\$10,498	\$10,498	\$9,774
\$30.00	2,180	\$65,400	\$65,400	\$58,860
\$31.00	328	\$10,168	\$10,168	\$8,856
\$32.00	1,977	\$63,264	\$63,264	\$53,379
\$33.00	730	\$24,090	\$24,090	\$19,710
\$34.00	1,233	\$41,922	\$41,922	\$33,291
\$35.00	5,760	\$201,600	\$201,600	\$155,520
\$36.00	2,215	\$79,740	\$79,740	\$59,805
\$37.00	1,514	\$56,018	\$56,018	\$40,878
\$38.00	2,632	\$100,016	\$100,016	\$71,064
\$39.00	1,206	\$47,034	\$47,034	\$32,562
\$40.00	13,091	\$523,640	\$523,640	\$353,457
\$41.00	2,117	\$86,797	\$86,797	\$57,159
\$42.00	5,035	\$211,470	\$211,470	\$135,945
\$43.00	3,789	\$162,927	\$162,927	\$102,303
\$44.00	6,184	\$272,096	\$265,912	\$166,968
\$45.00	16,766	\$754,470	\$720,938	\$452,682
\$46.00	6,589	\$303,094	\$283,327	\$177,903
\$47.00	4,858	\$228,326	\$208,894	\$131,166
\$48.00	10,674	\$512,352	\$458,982	\$288,198
\$49.00	5,724	\$280,476	\$246,132	\$154,548
\$50.00	20,919	\$1,045,950	\$899,517	\$564,813
\$51.00	6,834	\$348,534	\$293,862	\$184,518
\$52.00	8,305	\$431,860	\$357,115	\$224,235
\$53.00	5,069	\$268,657	\$217,967	\$136,863
\$54.00	5,818	\$314,172	\$250,174	\$157,086
\$55.00	10,345	\$568,975	\$444,835	\$279,315
\$56.00	4,318	\$241,808	\$185,674	\$116,586
\$57.00	5,052	\$287,964	\$217,236	\$136,404
\$58.00	4,006	\$232,348	\$172,258	\$108,162
\$59.00	2,428	\$143,252	\$104,404	\$65,556
\$60.00	11,513	\$690,780	\$495,059	\$310,851
more than \$60	27,643	\$1,928,475	\$1,188,649	\$746,361
Totals:	208,892	\$10,578,763	\$8,736,109	\$5,635,003
Average:			\$41.82	\$26.98

EXPERIENCE RATING CALCULATION

This formula is intended for use for all renewals and all takeover cases for which valid experience is available and all other requirements within the formula are met.

I. Definitions

A. Incurred Claims

The sum of paid claims for the period in question plus reserve for incurred but not paid claims at the end of the period minus the reserve incurred but not paid claims at the beginning of the period.

B. Anticipated Trend in Dentists' Fees

The expected percentage change in dentists' fees, based on recent experience, size and type of program (procedural maximum or MPA).

C. Administrative Percentage

The percentage of premium allocated for commissions, cost of paying claims, and other administrative costs.

D. Underwriting Margin

This contingency factor provides cushion against unforeseen risk, such as layoffs, deduction in number of enrollees, off anniversary cancellations, forced utilization due to actions by the employer, etc.

E. Desired Loss Ratio (DLR)

The ratio of expected claims to the total Dues Income that will yield the appropriate Administrative Percentage and the Actuarial Percentage.

F. Premium Income

Premium paid during the period in question minus premium earned in prior period plus an estimate of premium earned but not paid. The estimate is based on the most recent monthly billing. When two premium rates apply to the experience period, the premium income is adjusted to reflect the most recent rate.

G. Manual Rates

Rates for a specific group as generated by the Manual Rate Formula.

H. Member Months

Sum of monthly census for all members, both primary and dependents, for up to twenty-four months

EXPERIENCE RATING CALCULATION

(Continued)

II. Renewal Formula

- A. Determine the incurred loss ratio reflecting the actual experience of a group for the most current 12 month period.

$$\text{Incurred Loss Ratio} = \text{Incurred Claims} / \text{Premium Income}$$

- B. Convert incurred loss ratio into projected incurred loss ratio (PLR) to include anticipated trend in dentists' fees.

$$\text{Projected Loss Ratio} = \text{ILR} \times (1 + T)^{N/12}$$

Where N is the number of months from the midpoint of the experience period to the midpoint of the new contract period.

And T is the current annual trend factor

- C. Calculate change in current rates.

$$\text{Experience Rate Factor (ERF)} = \text{PLR} / \text{Desired Loss Ratio}$$

- D. Calculate experience rate.

$$\text{Experience Rate} = \text{ERF} * \text{Current Rate}$$

- E. Calculate Manual Rate

- F. Apply Credibility Factor

$$\text{Credibility Factor} = \text{Member Months} / (5400 + \text{Member Months})$$

$$\text{Proposed Rate} = (\text{Credibility Factor} * \text{Experience Rate}) + (1 - \text{Credibility Factor}) * \text{Manual Rate}$$

- G. Apply Underwriting Margin to Proposed Rates

RATE STRUCTURES

Rates for Delta Dental Insurance Company dental care programs can be calculated based on a variety of rate structures. Each of the rates below is based on actual census when available. Default assumptions are meant to be conservative

Tier and Description	Assumptions:	employee	spouse	dependents
Composite				
Family		1.00	0.70	1.10
Two Tier				
Employee Only		1.00	0.00	0.00
Employee & Family		1.00	0.90	1.80
Three Tier				
Employee Only		1.00	0.00	0.00
Employee & One Dependent		1.00	0.90	0.15
Employee & Family		1.00	0.95	2.20
Four Tier (version 1)				
Employee Only		1.00	0.00	0.00
Employee & Spouse		1.00	1.00	0.00
Employee & Child(ren)		1.00	0.00	2.00
Employee & Family		1.00	1.00	2.10
Four Tier (version 2)				
Employee Only		1.00	0.00	0.00
Employee & Spouse		1.00	1.00	0.00
Employee & Child		1.00	0.00	1.00
Employee & Family		1.00	0.90	2.20
Four Tier (version 3)				
Employee Only		1.00	0.00	0.00
Employee & One Dependent		1.00	0.90	0.15
Employee & Children		1.00	0.00	2.40
Employee & Family		1.00	1.00	2.10
Five Tier				
Employee Only		1.00	0.00	0.00
Employee & Spouse		1.00	1.00	0.00
Employee & Child		1.00	0.00	1.00
Employee & Children		1.00	0.00	2.40
Employee & Family		1.00	1.00	2.10

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