

SERFF Tracking #:

DMND-128803830

State Tracking #:

Company Tracking #:

121012

State: District of Columbia

Filing Company: Dominion Dental Services, Inc.

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

Product Name: Select Plan Series (700 & 7000) 2013 rates

Project Name/Number: /

### Rate Information

Rate data applies to filing.

Filing Method:

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 4.500%

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Dominion Dental Services, Inc.	4.500%	4.500%	\$0	0	\$0	%	%

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## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Select Plan 700-series rates	DC 09GDSC, 09GDSCa1-DC	New		700 series (4.5% rate increase) 2013 rate sheet.pdf
2		Select Plan 7000-series rates	DC 09GDSC, 09GDSCa1-DC	New		7000 series 2013 Group Rate Sheet.pdf

**700 SERIES SELECT PLAN MONTHLY GROUP PREMIUM RATES –  
Effective 7/1/13  
(for states other than Delaware)**

<b>Plan<sup>1</sup></b>	<b>Standard Premium Tier</b>	<b>Standard Rate<sup>2 and 3</sup></b>
<b>703X</b>	Subscriber	\$17.72
	Subscriber + 1 dependent	\$32.76
	Subscriber + 2 or More dependents	\$48.74
<b>705X</b>	Subscriber	\$24.04
	Subscriber + 1 dependent	\$44.50
	Subscriber + 2 or More dependents	\$66.36
<b>707X</b>	Subscriber	\$25.56
	Subscriber + 1 dependent	\$47.16
	Subscriber + 2 or More dependents	\$70.30
<b>709X</b>	Subscriber	\$27.38
	Subscriber + 1 dependent	\$50.64
	Subscriber + 2 or More dependents	\$75.22
<b>708X</b>	Subscriber	\$26.80
	Subscriber + 1 dependent	\$49.64
	Subscriber + 2 or More dependents	\$73.74

700 SERIES SELECT PLAN MONTHLY GROUP PREMIUM RATES – Effective 7/1/13 (Cont'd)		
Rating Tier	Equivalent in Standard Premium Tier	2-Tier Formulas and 4-Tier Formulas
<b>2-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	N/A
	Subscriber + 2 or More dependents	Subscriber + Family calculated as: (Subscriber + 1 Dependent) .35 + (Subscriber + 2 or more Dependents) .65
<b>4-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	Subscriber + Spouse
	Subscriber + 2 or More dependents	Subscriber + Family
		Subscriber + Child/ren calculated as: (Subscriber + 1 dependent) .65 + (Subscriber + 2 or more Dependents) .35

<sup>1</sup> “X” plan is offered with specialists care included at the same member copayments, premium rates increase an additional 12% (These plans are indicated by an “S” at the end of the plan number – i.e., 705XS, 707XS, etc.). When the same plan is made available without an office visit copayment (same plan number without the “X” – i.e., 705, 707) premium rates increase 3%. When the same non-“X” plan is offered with specialists care included at the same member copayments except no office visit copayment, premium rates increase an additional 15% (These plans are indicated by an “S” at the end of the plan number – i.e., 705S, 707S, etc.).

<sup>2</sup> Discounts ranging from 1% to 40% may be applied to standard rates based on underwriting criteria including group size, prior dental experience, dependent age limits and employer contribution.

<sup>3</sup> Dependent children are covered under the dental policy until their 26<sup>th</sup> birthday. Upon request by the group policyholder, lower age limits will be provided in the policy with the discounts ranging from 1% to 40% as noted above and higher age limits will be provided in the policy with the following rate adjustment factors (the rate will be multiplied by the factor in the table below):

Dependent Children and Student Adjustments					
Age in School	Dependent Age				
	26	27	28	29	30
26	1.000	#N/A	#N/A	#N/A	#N/A
27	1.002	1.007	#N/A	#N/A	#N/A
28	1.005	1.010	1.014	#N/A	#N/A
29	1.007	1.012	1.017	1.021	#N/A
30	1.010	1.014	1.019	1.024	1.029

**7000 SERIES SELECT (DHMO) PLAN MONTHLY GROUP PREMIUM  
RATES – Effective 4/1/13**

<b>Plan<sup>1</sup></b>	<b>Standard Premium Tier</b>	<b>Standard Rate<sup>2 and 3</sup></b>
<b>7010</b>	Subscriber	\$27.28
	Subscriber + 1 dependent	\$49.46
	Subscriber + 2 or More dependents	\$72.60
<b>7020</b>	Subscriber	\$32.38
	Subscriber + 1 dependent	\$58.78
	Subscriber + 2 or More dependents	\$86.26
<b>7030</b>	Subscriber	\$38.28
	Subscriber + 1 dependent	\$69.48
	Subscriber + 2 or More dependents	\$101.94
<b>7040</b>	Subscriber	\$35.68
	Subscriber + 1 dependent	\$64.76
	Subscriber + 2 or More dependents	\$95.02
<b>7050</b>	Subscriber	\$39.14
	Subscriber + 1 dependent	\$71.04
	Subscriber + 2 or More dependents	\$104.28
<b>7060</b>	Subscriber	\$43.02
	Subscriber + 1 dependent	\$78.04
	Subscriber + 2 or More dependents	\$114.54

<b>7000 SERIES SELECT (DHMO) PLAN MONTHLY GROUP PREMIUM RATES – Effective 4/1/13 (Cont'd)</b>		
<b>Rating Tier</b>	<b>Equivalent in Standard Premium Tier</b>	<b>2-Tier Formulas and 4-Tier Formulas</b>
<b>2-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	N/A
	Subscriber + 2 or More dependents	Subscriber + Family calculated as: (Subscriber + 1 Dependent) .35 + (Subscriber + 2 or more Dependents) .65
<b>4-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	Subscriber + Spouse
	Subscriber + 2 or More dependents	Subscriber + Family
		Subscriber + Child/ren calculated as: (Subscriber + 1 dependent) .65 + (Subscriber + 2 or more Dependents) .35

<sup>1</sup> When a plan is made available with a \$5 office visit copayment (Same plan number with "XR") premium rates are divided by 103% [approx 3% decrease]. When a plan is made available with a \$10 office visit copayment (Same plan number with "X") premium rates are divided by 106% [approx 6% decrease].

<sup>2</sup> Discounts ranging from 1% to 40% may be applied to standard rates based on underwriting criteria including group size, prior dental experience, dependent age limits and employer contribution.

<sup>3</sup> Dependent children are covered under the dental policy until their 26<sup>th</sup> birthday. Upon request by the group policyholder, lower age limits will be provided in the policy with the discounts ranging from 1% to 40% as noted above and higher age limits will be provided in the policy with the following rate adjustment factors (the rate will be multiplied by the factor in the table below):

<b>Dependent Children and Student Adjustments</b>					
<b>Age in School</b>	<b>Dependent Age</b>				
	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>	<b>30</b>
<b>26</b>	1.000	#N/A	#N/A	#N/A	#N/A
<b>27</b>	1.002	1.007	#N/A	#N/A	#N/A
<b>28</b>	1.005	1.010	1.014	#N/A	#N/A
<b>29</b>	1.007	1.012	1.017	1.021	#N/A
<b>30</b>	1.010	1.014	1.019	1.024	1.029

SERFF Tracking #:

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State: District of Columbia

Filing Company:

Dominion Dental Services, Inc.

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

Product Name: Select Plan Series (700 &amp; 7000) 2013 rates

Project Name/Number: /

## Supporting Document Schedules

		Item Status:	Status Date:
Satisfied - Item:	Cover Letter All Filings		
Comments:	Please see filing description which includes the details of this filing and satisfies the information required in the cover letter.		
		Item Status:	Status Date:
Bypassed - Item:	Certificate of Authority to File		
Bypass Reason:	N/A		
		Item Status:	Status Date:
Satisfied - Item:	Actuarial Memorandum		
Comments:			
Attachment(s):	Actuarial Memorandum Select Plan Series Group - DC.pdf		
		Item Status:	Status Date:
Satisfied - Item:	Actuarial Justification		
Comments:	Please see attached Memorandum for the Actuarial Justification provision.		
		Item Status:	Status Date:
Satisfied - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)		
Comments:	Please see attached Actuarial Memorandum for information on the anticipated loss ratio.		
		Item Status:	Status Date:
Satisfied - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)		
Comments:	We do not have a 5 year rate history for this rate filing as we just became licensed in DC in 2010, making this our 2nd rate filing; however, we have included our rate history based on business in our state of domicile (Virginia). We have referenced the previous rate filings for your information and included the most recent approval as a separate document in this section.		
Attachment(s):			

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State Tracking #:

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121012

State: District of Columbia

Filing Company: Dominion Dental Services, Inc.

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

Product Name: Select Plan Series (700 & 7000) 2013 rates

Project Name/Number: /

Info for Rate Filing (700 Series 4.5% incr) 2013.pdf

		Item Status:	Status Date:
Satisfied - Item:	Select Plan 700-Series Supporting Documentation		
Comments:	Previously approved 600-series rate filing.		
Attachment(s):			
Previous Rate Filing (Group 600 series (5% rate increase) 2012 rates).pdf			

**Dominion Dental  
DENTAL INSURANCE POLICIES  
SELECT (DHMO) GROUP PLANS  
ACTUARIAL MEMORANDUM**

**Policy Form Numbers:**  
DC 09GDSC and 09GDSCa1-DC

**Scope and purpose**

The purpose of this memorandum is to describe the benefits and document the rates with supporting data, and to certify that this product is in compliance with the applicable laws and regulations of the state. This memorandum is not intended to be used for any other purpose.

**Proposed Effective Date**

We request an effective date of April 1, 2013 for the Select Plan 7000-series and July 1, 2013 for the Select Plan 700-series. Marketing will commence immediately upon approval of this filing.

**Select Plan Benefit Description**

The Select Plan series of benefits are formulated on a capitated delivery model in which Providers are paid primarily through a combination of copayments and capitation. As such, there is very minimal claims or related indemnity liability with these benefits. Capitation levels are calculated on the basis of actual cost of care as compared to usual and customary charges. Rate increases only occur as the cost of dental materials and dental related overhead increases. We have designed eleven basic Select Plans outlined in the table below.

Select Plan 703X - Low Option Group Plan	Select Plan 7010 - Low Option Group Plan
Select Plan 705X - Medium Option Group Plan	Select Plan 7020 - Medium Option Group Plan
Select Plan 707X - Medium-High Option Group Plan	Select Plan 7030 - High Option Group Plan
Select Plan 708X - Medium-High Option Group Plan	Select Plan 7040 - High Option Group Plan
Select Plan 709X - High Option Group Plan	Select Plan 7050 - High Option Group Plan
	Select Plan 7060 - Highest Option Group Plan

**Premium Change Rationale**

The Select Plan 700-series is a refresh of the previously approved Select Plan 600-series. There is a 4.5% rate increase over the Select Plan 600-series. These rates will become effective July 1, 2013 for prospective and renewal quotes. As described in the Anticipated Loss Ratio section of this Memorandum, participating providers receive compensation payments averaging 61% of premium revenue. The rate increases submitted for approval directly correspond to provider service cost increases being requested by network providers. There are no expected changes in utilization patterns associated with the requested

rate change. Upon approval, providers will receive a 4.5% increase to capitation rates for eligible members as they renew.

The Select Plan 7000 Series is a new line of products. These rates will become effective April 1, 2013. The provider compensation was benchmarked to be consistent with the 700-Series included in this filing.

#### **Anticipated Loss Ratio**

The following table shows how premium dollars are distributed in the Select Plans for compensating participating dentists and administration costs.

- 61% Dentist Compensation
- 39% Administrative and Marketing Costs

These expense assumptions are based on our actual expected costs. The rates in this filing do not include a provision or load for profit margin, surplus contribution, or surplus level.

#### **Reasonableness of Assumptions**

In the actuary's best judgment, the assumptions made in determining these premium rates are reasonable.

#### **ACTUARIAL CERTIFICATION**

I, Mark Spitler, am a Fellow of the Society of Actuaries, and a Member of the American Academy of Actuaries. I certify that to the best of my knowledge and judgment, this filing is in compliance with the applicable laws of this State and with the rules of the Department of Insurance, and complies with Actuarial Standards of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans", as adopted by the Actuarial Standards Board, December 2005. The premiums are neither excessive, inadequate, nor unfairly discriminatory, and the benefits provided are reasonable in relation to the premiums.



Mark Spitler, FSA, MAAA

Senior Director, Actuarial Services  
Capital BlueCross  
(717) 541-6613

December 4, 2012

5-Year History - Standard Rates  
(rate sheets from previous filings attached)

	Proposed Rates per this filing	Current Rates filed 11/19/11	Rates filed 3/17/10	Rates Filed 6/4/08	Rates Filed 3/21/06
Plan Series	700	600	600	600	600
Effective Date	7/1/2013	4/1/2012	4/1/2010	4/1/2008	4/1/2006
Increase	4.50%	5%	10%	8%	10%

# Disposition for DMND-127807344

**SERFF Tracking Number:** DMND-127807344 **State:** District of Columbia

**Filing Company:** Dominion Dental Services, Inc. **State Tracking Number:**

**Company Tracking Number:** 11911

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

**Product Name:** 600 series 5% increase 2012

**Project Name:**

**Disposition Date:** 01/11/2012

**Implementation Date:** 04/01/2012

**Status:** \* APPROVED

**Comments:**

### Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
Dominion Dental Services, Inc.	5.000 %	5.000 %	\$ 10215	21	\$ 204306	5.080 %	4.980 %

### Schedule Items

Item Type	Item Name	Item Status	Public Access
Supporting Document	Actuarial Justification		Yes
<i>Supporting Document</i>	<i>Actuarial Justification</i>		<i>Yes</i>

Supporting Document	Transmittal letter	No
<i>Supporting Document</i>	<i>Transmittal letter</i>	<i>Yes</i>
Rate	600 series DHMO rates	Yes
<i>Rate</i>	<i>600 series DHMO rates</i>	<i>Yes</i>
<i>Rate</i>	<i>600 series DHMO rates</i>	<i>Yes</i>

**600 SERIES SELECT PLAN MONTHLY GROUP PREMIUM RATES –  
Effective 4/1/12  
(for states other than Delaware)**

<b>Plan<sup>1</sup></b>	<b>Standard Premium Tier</b>	<b>Standard Rate<sup>2 and 3</sup></b>
<b>603X</b>	Subscriber	\$16.96
	Subscriber + 1 dependent	\$31.34
	Subscriber + 2 or More dependents	\$46.64
<b>605X</b>	Subscriber	\$23.00
	Subscriber + 1 dependent	\$42.58
	Subscriber + 2 or More dependents	\$63.50
<b>607X</b>	Subscriber	\$24.46
	Subscriber + 1 dependent	\$45.12
	Subscriber + 2 or More dependents	\$67.28
<b>609X</b>	Subscriber	\$26.20
	Subscriber + 1 dependent	\$48.46
	Subscriber + 2 or More dependents	\$71.98
<b>608X</b>	Subscriber	\$25.64
	Subscriber + 1 dependent	\$47.50
	Subscriber + 2 or More dependents	\$70.56

<b>600 SERIES SELECT PLAN MONTHLY GROUP PREMIUM RATES – Effective 4/1/12 (Cont'd)</b>		
<b>Rating Tier</b>	<b>Equivalent in Standard Premium Tier</b>	<b>2-Tier Formulas and 4-Tier Formulas</b>
<b>2-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	N/A
	Subscriber + 2 or More dependents	Subscriber + Family calculated as: (Subscriber + 1 Dependent) .35 + (Subscriber + 2 or more Dependents) .65
<b>4-Tier Rates</b>	Subscriber	Subscriber
	Subscriber + 1 dependent	Subscriber + Spouse
	Subscriber + 2 or More dependents	Subscriber + Family
		Subscriber + Child/ren calculated as: (Subscriber + 1 dependent) .65 + (Subscriber + 2 or more Dependents) .35

<sup>1</sup> “X” plan is offered with specialists care included at the same member copayments, premium rates increase an additional 12% (These plans are indicated by an “S” at the end of the plan number – i.e., 605XS, 607XS, etc.). When the same plan is made available without an office visit copayment (same plan number without the “X” – i.e., 605, 607) premium rates increase 3%. When the same non-“X” plan is offered with specialists care included at the same member copayments except no office visit copayment, premium rates increase an additional 15% (These plans are indicated by an “S” at the end of the plan number – i.e., 605S, 607S, etc.).

<sup>2</sup> Discounts ranging from 1% to 40% may be applied to standard rates based on underwriting criteria including group size, prior dental experience, dependent age limits and employer contribution.

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<b>Dependent Children and Student Adjustments</b>					
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<b>26</b>	1.000	#N/A	#N/A	#N/A	#N/A
<b>27</b>	1.002	1.007	#N/A	#N/A	#N/A
<b>28</b>	1.005	1.010	1.014	#N/A	#N/A
<b>29</b>	1.007	1.012	1.017	1.021	#N/A
<b>30</b>	1.010	1.014	1.019	1.024	1.029