

State: District of Columbia **Filing Company:** Metropolitan Life Insurance Company
TOI/Sub-TOI: H10G Group Health - Dental/H10G.000 Health Dental
Product Name: Group Stand-Alone Dental Off-Exchange Rate Filing
Project Name/Number: Group Stand-Alone Dental Off-Exchange Rate Filing /B14-32B SB

Filing at a Glance

Company: Metropolitan Life Insurance Company
Product Name: Group Stand-Alone Dental Off-Exchange Rate Filing
State: District of Columbia
TOI: H10G Group Health - Dental
Sub-TOI: H10G.000 Health Dental
Filing Type: Rate
Date Submitted: 06/12/2014
SERFF Tr Num: META-129588501
SERFF Status: Assigned
State Tr Num:
State Status:
Co Tr Num: B14-32B SB
Implementation: 01/01/2015
Date Requested:
Author(s): Ruth Rivera, Cathy Weldon, Linda Williams, Susan Hoffmann, Katijah Basalat
Reviewer(s): Darniece Shirley (primary), Alula Selassie, John Morgan, Beichen Li
Disposition Date:
Disposition Status:
Implementation Date:
State Filing Description:

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General Information

Project Name: Group Stand-Alone Dental Off-Exchange Rate Filing Status of Filing in Domicile: Pending
Project Number: B14-32B SB 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: Small and Large
Group Market Type: Employer, Association, Trust Overall Rate Impact:
Filing Status Changed: 06/16/2014
State Status Changed: Deemer Date:
Created By: Susan Hoffmann Submitted By: Susan Hoffmann
Corresponding Filing Tracking Number: META-129588511

Filing Description:

This rate filing is a rate filing for Small and Large Group Dental benefits described in certificate form GCERT2013-OFFEXCH that will be used in conjunction with previously approved group policy forms GPNP99, GPNP99-ASSN and GPNP08-TRUST. This pertains to Stand-alone pediatric dental benefits and Family dental benefits designed to be sold off the SHOP Exchange. The proposed effective date of these plans is 1/1/2015. The overall premium impact is approximately a \$24,000 increase.

Included in this rate filing is an Actuarial Memorandum that discusses the sources of the claim costs used to generate premium rates and the Dental Rate Filing Document that explains in detail the Dental Rating Algorithm.

The Actuarial Certification can be found on the last page of the Actuarial Memorandum.

Please contact me if you have any questions. Thank you.

Sincerely,

Adam Laubach, ASA MAAA
Associate Actuary
Email: alaubach@metlife.com Phone: (908) 253-1286

Company and Contact

Filing Contact Information

Adam Laubach, Actuarial Consultant II alaubach@metlife.com
501 Route 22 908-253-1286 [Phone] 1286 [Ext]
Bridgewater, NJ 08807

State: District of Columbia **Filing Company:** Metropolitan Life Insurance Company
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Filing Company Information

Metropolitan Life Insurance Company MetLife 1095 Avenue of the Americas New York, NY 10036 (212) 578-2211 ext. [Phone]	CoCode: 65978 Group Code: 241 Group Name: FEIN Number: 13-5581829	State of Domicile: New York Company Type: Life State ID Number:
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Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:

SERFF Tracking #:

META-129588501

State Tracking #:

Company Tracking #:

B14-32B SB

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Rate Information

Rate data applies to filing.

Filing Method:

SERFF

Rate Change Type:

Increase

Overall Percentage of Last Rate Revision:

0.000%

Effective Date of Last Rate Revision:

01/01/2014

Filing Method of Last Filing:

SERFF

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Metropolitan Life Insurance Company	0.400%	0.400%	\$24,207	5,387	\$5,981,657	5.500%	-2.600%

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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		Rates	GCERT2013-OFFEXCH, GPNP99, GPNP99-ASSN, GPNP08-TRUST	Revised	Previous State Filing Number: META-129135622 Percent Rate Change Request: 0.4	DC OE Cover Letter 06112014.pdf,



Metropolitan Life Insurance Company
501 U.S. Highway 22 West
Bridgewater, NJ 08807

June 11, 2014

District of Columbia Department of Insurance
Department of Insurance & Securities Reg.
Government of the District of Columbia
810 First Street, N.E., Suite 701
Washington, DC 20002

Re: Metropolitan Life Insurance Company Group Dental Rate Filing
Filing Installment number B14-32 SB

Dear Sir/Madam,

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Adam Laubach, ASA MAAA
Associate Actuary

Email: alaubach@metlife.com Phone: (908) 253-1286

State: District of Columbia

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Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	
Attachment(s):	DC OE Cover Letter 06112014.pdf
Item Status:	
Status Date:	

Bypassed - Item:	Certificate of Authority to File
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Actuarial Memo 2014 OE DC 06102014.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	We comply.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	

SERFF Tracking #:

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Satisfied - Item:	Actuarial Memorandum and Certifications
Comments:	
Attachment(s):	Actuarial Memo 2014 OE DC 06102014.pdf
Item Status:	
Status Date:	
Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	Not Applicable.
Attachment(s):	
Item Status:	
Status Date:	



Metropolitan Life Insurance Company
501 U.S. Highway 22 West
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Adam Laubach, ASA MAAA
Associate Actuary

Email: alaubach@metlife.com Phone: (908) 253-1286

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

A. Description of Benefits

This rate filing is a rate filing for Group Dental benefits described in certificate form GCERT2013-OFFEXCH. The certificate will be issued in conjunction with previously approved group policy forms GPNP99, GPNP99-ASSN and GPNP08-TRUST. This pertains to Stand-alone pediatric dental benefits and Family dental benefits designed to be sold off the SHOP Exchange.

We offer four plans - Pediatric Only Plan Low, Pediatric Only Plan High, Family Plan Low and Family Plan High.

The Pediatric Only Plan Low (for a child under age 19) has coinsurance equal to 90%/50%/50%/50% in network and 80%/40%/40%/50% out of network, a \$100 deductible in/out with an unlimited plan maximum in/out. The in network out of pocket maximum is equal to \$350 per child and \$700 for two or more children.

The Pediatric Only Plan High (for a child under age 19) has coinsurance equal to 100%/60%/50%/50% in network and 90%/50%/40%/50% out of network, a \$50 deductible in/out with an unlimited plan maximum in/out. The in network out of pocket maximum is equal to \$350 per child and \$700 for two or more children.

The Family Plan Low has 90%/50%/50%/50% coinsurance in/out, a \$100 individual deductible in/\$200 individual deductible out (\$300 family deductible in/\$600 family deductible out). The in network plan maximum is equal to \$1,500 (not applicable to child under age 19) and the out of network plan maximum is equal to \$1,500. The in network out of pocket maximum (applies only to child under age 19) is equal to \$350 per child and \$700 for two or more children.

The Family Plan High has 100%/60%/50%/50% coinsurance in/out, a \$50 individual deductible in/\$50 individual deductible out (\$150 family deductible in/\$150 family deductible out). The in network plan maximum is equal to \$2,000 (not applicable to child under age 19) and the out of network plan maximum is equal to \$2,000. The in network out of pocket maximum (applies only to child under age 19) is equal to \$350 per child and \$700 for two or more children.

B. Issue Age Range

Premium rates are calculated for Adult and Child.

C. Marketing Method

The products are sold primarily through Metropolitan's group sales representatives, directly or through broker/ consultants.

D. Premium Basis

Premium rates are determined based on geographic area, plan design, in-network fees and utilization. We assumed 80% employee participation for a group of 25 eligible employee lives with standard distribution. Both employees and dependents are eligible without a waiting period.

Premium rates will generally be expressed in tiers such as the following :

(i) Pediatric Only 1 Child (rate maximum of 3 per contract)

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

- (ii) Family Structure 1 1 Adult
 1 Adult & 1 Child
 1 Adult & 2 Children
 1 Adult & 3 or more Children

- (iii) Family Structure 2 2 Adults
 2 Adults & 1 Child
 2 Adults & 2 Children
 2 Adults & 3 or more Children

Premium rates do not vary by individual within a tier.

E. Nature of Rate Change and Proposed Rate/Methodology Change

There are three reasons for the proposed rate change: positive trend, increase in ACA tax, and plan design changes. Proposed rates for the Pediatric Only plans are now listed for 1 Child only with rate maximum of 3 per contract. Below are the proposed rates.

Pediatric Only

Plan ID : 43849DC0060001				
Low Plan - Base Monthly Premium for Effective Dates				
1/1/2015 - 3/31/2015	4/1/2015 - 6/30/2015	7/1/2015 - 9/30/2015	10/1/2015 - 12/31/2015	
1 Child	\$ 26.07	\$ 26.29	\$ 26.51	\$ 26.73

Plan ID : 43849DC0070001				
High Plan - Base Monthly Premium for Effective Dates				
1/1/2015 - 3/31/2015	4/1/2015 - 6/30/2015	7/1/2015 - 9/30/2015	10/1/2015 - 12/31/2015	
	\$ 31.31	\$ 31.56	\$ 31.83	\$ 32.09

Family Plan *

Plan ID : 43849DC0080001				
Low Plan - Base Monthly Premium for Effective Dates				
1/1/2015 - 3/31/2015	4/1/2015 - 6/30/2015	7/1/2015 - 9/30/2015	10/1/2015 - 12/31/2015	
1 Adult	\$ 27.41	\$ 27.63	\$ 27.85	\$ 28.07
1 Adult + 1 CH	\$ 54.72	\$ 55.14	\$ 55.55	\$ 55.97
1 Adult + 2 CH	\$ 82.04	\$ 82.64	\$ 83.26	\$ 83.87
1 Adult + 3 (or more) CH	\$ 109.35	\$ 110.15	\$ 110.96	\$ 111.78
2 Adults	\$ 54.82	\$ 55.25	\$ 55.69	\$ 56.13
2 Adults + 1 CH	\$ 82.13	\$ 82.76	\$ 83.40	\$ 84.04
2 Adults + 2 CH	\$ 109.45	\$ 110.27	\$ 111.10	\$ 111.94
2 Adults + 3 (or more) CH	\$ 136.76	\$ 137.78	\$ 138.81	\$ 139.84

Plan ID : 43849DC0090001				
High Plan - Base Monthly Premium for Effective Dates				
1/1/2015 - 3/31/2015	4/1/2015 - 6/30/2015	7/1/2015 - 9/30/2015	10/1/2015 - 12/31/2015	
	\$ 34.16	\$ 34.44	\$ 34.73	\$ 35.01
	\$ 68.09	\$ 68.63	\$ 69.17	\$ 69.71
	\$ 102.02	\$ 102.81	\$ 103.61	\$ 104.41
	\$ 135.94	\$ 136.99	\$ 138.05	\$ 139.11
	\$ 68.33	\$ 68.89	\$ 69.45	\$ 70.02
	\$ 102.25	\$ 103.07	\$ 103.89	\$ 104.72
	\$ 136.18	\$ 137.25	\$ 138.33	\$ 139.42
	\$ 170.11	\$ 171.44	\$ 172.78	\$ 174.13

* The Child Rate in the Family Plan is a composite of the Under Age 19 Rate and the age 19 to 26 Rate.

F. For Each Change, Indication if New or Modified

The two changes – plan design changes and increase in ACA tax – are both modifications.

G. For Each Change Comparison to Status Quo

ACA Tax changed from 2.1% to 2.8%. Annual trend in 2014 was also approximately 3.3% but has been applied for an additional year.

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

H. Summary of How Each Proposed Modification Differs from Corresponding Current/Approved Rate/Methodology

Changes to the plan design include a reduction to the out of pocket maximum to \$350 for one child and \$700 for two or more children in combination with other plan design changes to keep the Actuarial Values within the prescribed limits while maintaining consistency between in and out of network benefits.

I. Annual Rate Change for DC Policyholders

There are approximately 5,400 policyholders and 11,900 members impacted. The minimum rate change that a subscriber could receive is -2.6%, and the maximum rate change that a subscriber could receive is 5.5%. The average rate change is approximately 0.4%.

J. Base Period Experience

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

K. Projected Base Period Experience

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

L. Manual Rate Development

The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

M. Credibility

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

N. Projected Index Rate

This section is not applicable to a dental rate filing.

O. Market-wide Adjustments to the Index Rate

This section is not applicable to a dental rate filing.

P. Plan Level Adjustments to the Index Rate

This section is not applicable to a dental rate filing.

Q. Non-Benefit Expenses

Actuarial Memo 2014 OE DC 06102014.doc4

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

Expenses are based on the number of members in a group as shown in the table below and do not vary by policy year. The number of members in a group is equal to the number of employees plus their dependents.

Members	Constant	Variable Expense Per Member Per Month
1 to 2.9	\$250	\$4.15
3 to 20.9	\$250	\$3.95
21 to 52.4	\$700	\$3.77
52.5 to 104.9	\$700	\$3.59
105 to 209.9	\$1,000	\$3.41
210 to 419.9	\$1,400	\$3.25
420 to 1049.9	\$1,400	\$3.10
1,050 to 1,109.9	\$1,790	\$2.95
1,110 to 1,329.9	\$2,055	\$2.61
1,330 to 1,554.9	\$2,145	\$2.61
1,555 to 1,774.9	\$2,145	\$2.12
1,775 to 1,999.9	\$2,325	\$2.12
2,000 and above	\$2,325	\$2.12

The expense scale excludes broker commissions. Broker commissions are paid at a flat 6% of premium. Premium Tax is derived for each state individually. Please refer to Table 29 in the Dental Rate Filing 2013 document for Premium Tax % by state, Premium Rates include an ACA Tax, equal to 2.1% in 2014 and 2.8% in 2015 and thereafter. Premium Rates also include a State Exchange Fee equal to 3.5%.

R. Filed Loss Ratio

Anticipated Loss Ratios	
Minimum	Maximum
60%	75%

S. Actuarial Certification

I certify that, to the best of my knowledge and judgment, the premium rates are neither inadequate nor excessive nor unfairly discriminatory, the premium rates are appropriate for the classes of risks for which they have been computed

I certify that, to the best of my knowledge and judgment, the actuarial value requirements have been satisfied for both the Pediatric only Low and High Plans at levels equal to 70% + or – 2% and 85% + or – 2%, respectively.

I certify that, to the best of my knowledge and judgment, the annual limitations on cost sharing are reasonable.

The entire rate filing is in compliance with the applicable laws of this state and with the rules of the

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

Department of Insurance, and complies with Actuarial Standard of Practice No. 8.



Adam Laubach, ASA MAAA

June 10, 2014

T. District of Columbia Loss Ratio Analysis (Include Countrywide Loss Ratio Analysis separately, if applicable)

This product is purely manually rated. There is not credible experience for this product for the District of Columbia. We are providing countrywide experience for our Dental PPO business.

Nationwide Dental PPO - Groups under 50 lives							
Calendar Year	Number of cases	Earned Premium	Incurred Claims	ILR	Number of Claims	Number of groups	Number of covered lives
2011	31,780	316,370,797	209,229,291	66.1%	1,108,915	31,780	547,391
2012	33,855	313,847,897	206,445,763	65.8%	1,032,229	33,855	601,778
2013	33,927	334,233,725	219,682,251	65.7%	1,036,237	33,927	614,148

U. District of Columbia and Countrywide Experience

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2013	33,927	334,233,725	219,682,251	65.7%	1,036,237	33,927	614,148

There have been no previous rate changes for this product.

**METROPOLITAN LIFE INSURANCE COMPANY
ACTUARIAL MEMORANDUM**

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I. Annual Rate Change for DC Policyholders

There are approximately 5,400 policyholders and 11,900 members impacted. The minimum rate change that a subscriber could receive is -2.6%, and the maximum rate change that a subscriber could receive is 5.5%. The average rate change is approximately 0.4%.

J. Base Period Experience

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

K. Projected Base Period Experience

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

L. Manual Rate Development

The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

M. Credibility

This product is purely manually rated. The manual rating algorithm that is described in the Word document named OE Dental Rate Filing specifically discusses the development of premium rates.

N. Projected Index Rate

This section is not applicable to a dental rate filing.

O. Market-wide Adjustments to the Index Rate

This section is not applicable to a dental rate filing.

P. Plan Level Adjustments to the Index Rate

This section is not applicable to a dental rate filing.

Q. Non-Benefit Expenses

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Expenses are based on the number of members in a group as shown in the table below and do not vary by policy year. The number of members in a group is equal to the number of employees plus their dependents.

Members	Constant	Variable Expense Per Member Per Month
1 to 2.9	\$250	\$4.15
3 to 20.9	\$250	\$3.95
21 to 52.4	\$700	\$3.77
52.5 to 104.9	\$700	\$3.59
105 to 209.9	\$1,000	\$3.41
210 to 419.9	\$1,400	\$3.25
420 to 1049.9	\$1,400	\$3.10
1,050 to 1,109.9	\$1,790	\$2.95
1,110 to 1,329.9	\$2,055	\$2.61
1,330 to 1,554.9	\$2,145	\$2.61
1,555 to 1,774.9	\$2,145	\$2.12
1,775 to 1,999.9	\$2,325	\$2.12
2,000 and above	\$2,325	\$2.12

The expense scale excludes broker commissions. Broker commissions are paid at a flat 6% of premium. Premium Tax is derived for each state individually. Please refer to Table 29 in the Dental Rate Filing 2013 document for Premium Tax % by state, Premium Rates include an ACA Tax, equal to 2.1% in 2014 and 2.8% in 2015 and thereafter. Premium Rates also include a State Exchange Fee equal to 3.5%.

R. Filed Loss Ratio

Anticipated Loss Ratios	
Minimum	Maximum
60%	75%

S. Actuarial Certification

I certify that, to the best of my knowledge and judgment, the premium rates are neither inadequate nor excessive nor unfairly discriminatory, the premium rates are appropriate for the classes of risks for which they have been computed

I certify that, to the best of my knowledge and judgment, the actuarial value requirements have been satisfied for both the Pediatric only Low and High Plans at levels equal to 70% + or – 2% and 85% + or – 2%, respectively.

I certify that, to the best of my knowledge and judgment, the annual limitations on cost sharing are reasonable.

The entire rate filing is in compliance with the applicable laws of this state and with the rules of the

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Department of Insurance, and complies with Actuarial Standard of Practice No. 8.



Adam Laubach, ASA MAAA

June 10, 2014

T. District of Columbia Loss Ratio Analysis (Include Countrywide Loss Ratio Analysis separately, if applicable)

This product is purely manually rated. There is not credible experience for this product for the District of Columbia. We are providing countrywide experience for our Dental PPO business.

Nationwide Dental PPO - Groups under 50 lives							
Calendar Year	Number of cases	Earned Premium	Incurred Claims	ILR	Number of Claims	Number of groups	Number of covered lives
2011	31,780	316,370,797	209,229,291	66.1%	1,108,915	31,780	547,391
2012	33,855	313,847,897	206,445,763	65.8%	1,032,229	33,855	601,778
2013	33,927	334,233,725	219,682,251	65.7%	1,036,237	33,927	614,148

U. District of Columbia and Countrywide Experience

This product is purely manually rated. There is not credible experience for this product for the District of Columbia. We are providing countrywide experience for our Dental PPO business.

Nationwide Dental PPO - Groups under 50 lives							
Calendar Year	Number of cases	Earned Premium	Incurred Claims	ILR	Number of Claims	Number of groups	Number of covered lives
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There have been no previous rate changes for this product.