

**State:** District of Columbia **Filing Company:** Delta Dental Insurance Company  
**TOI/Sub-TOI:** H10G Group Health - Dental/H10G.000 Health Dental  
**Product Name:** DDIC, 15HCR Grp PPO DC, Rates  
**Project Name/Number:** DDIC, 15HCR Grp PPO DC, Rates/DDIC, 15HCR Grp PPO DC, Rates

## Filing at a Glance

Company: Delta Dental Insurance Company  
 Product Name: DDIC, 15HCR Grp PPO DC, Rates  
 State: District of Columbia  
 TOI: H10G Group Health - Dental  
 Sub-TOI: H10G.000 Health Dental  
 Filing Type: Rate  
 Date Submitted: 06/05/2014  
 SERFF Tr Num: DDPA-129528166  
 SERFF Status: Assigned  
 State Tr Num:  
 State Status:  
 Co Tr Num: DDIC, 15HCR GRP PPO DC, RATES  
 Implementation: 01/01/2015  
 Date Requested:  
 Author(s): Connie Roth, Noel Brennan, Alisa Koelling, Brandy Christian  
 Reviewer(s): Darniece Shirley (primary), Alula Selassie, John Morgan, Beichen Li  
 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, 15HCR Grp PPO DC, Rates  
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## General Information

Project Name: DDIC, 15HCR Grp PPO DC, Rates	Status of Filing in Domicile: Not Filed
Project Number: DDIC, 15HCR Grp PPO DC, 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: Small
Group Market Type: Employer	Overall Rate Impact:
Filing Status Changed: 06/09/2014	
State Status Changed:	Deemer Date:
Created By: Alisa Koelling	Submitted By: Alisa Koelling
Corresponding Filing Tracking Number: DDPA-129528167	

Filing Description:  
Dear Sir or Madam:

Enclosed for your review and approval is a new Delta Dental Insurance Company (NAIC Company Code 81396) small group rate filing under SERFF #DDPA-129528166.

This is an initial rate filing. These rates will be used when our Delta Dental product is sold direct or by a partnership relationship to small employer groups inside the District of Columbia Health Benefit Exchange. We have filed forms for use inside the exchange under SERFF #DDPA-129528167. These products will use the Delta Dental PPO and Delta Dental Premier® networks and will be marketed by the District of Columbia Health Benefit Exchange, licensed agents, brokers, third party administrators, mass marketed via various publications or online.

These rates pertain to pediatric (EHB) plans Small Group/SHOP Pediatric Preferred/High and Basic/Low Plans that will provide the required coverage for the pediatric oral services required by the essential health benefits provisions of the Affordable Care Act (ACA). They also pertain to family plans Small Group/SHOP Family Preferred/High and Basic/Low Plans that will provide the required EHB coverage and dental coverage for anyone over the age of 19.

Our effective date for use of these rates will be January 1, 2015, provided the filing has been approved by or deemed approved by your Department.

Thank you for your attention to this filing. If you should need any additional information or have any questions, please do not hesitate to contact me at (916) 861-1974 or akoelling@delta.org.

Sincerely,  
Alisa Koelling  
Regulatory Analyst  
Delta Dental Insurance Company

## Company and Contact

**Filing Contact Information**  
 Alisa Koelling, Regulatory Analyst      akoelling@delta.org

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**State:** District of Columbia **Filing Company:** Delta Dental Insurance Company  
**TOI/Sub-TOI:** H10G Group Health - Dental/H10G.000 Health Dental  
**Product Name:** DDIC, 15HCR Grp PPO DC, Rates  
**Project Name/Number:** DDIC, 15HCR Grp PPO DC, Rates/DDIC, 15HCR Grp PPO DC, Rates

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]		

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**Filing Fees**

Fee Required? No  
Retaliatory? No  
Fee Explanation:

**SERFF Tracking #:**

DDPA-129528166

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

DDIC, 15HCR GRP PPO DC, 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, 15HCR Grp PPO DC, Rates

**Project Name/Number:**

DDIC, 15HCR Grp PPO DC, Rates/DDIC, 15HCR Grp PPO DC, 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 (Pediatric)	GC-DC-ENT-15, PGE-DC-ENT-15	New		Actuarial Memorandum Delta DC Pediatric PPO Small Group 2014 05 30.pdf,
2		Actuarial Memorandum (Family)	GC-DC-ENT-15, XGE-DC-ENT-15	New		Actuarial Memorandum Delta DC Family PPO Small Group 2014 05 30.pdf,



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and PGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The pediatric dental EHB are defined in Attachment A and cover essential health benefit services as defined by the state. These comply with the actuarial value requirements for the preferred and basic EHB plans.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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", with a long horizontal flourish extending to the right.

Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
100 First Street  
San Francisco, CA 94105  
(415) 972-8443

**Attachment A**  
**District of Columbia Small Group Pediatric Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Diagnostic & Preventive	100%	100%
Basic Services	80%	50%
Major Services	50%	50%
Orthodontics (Medically Necessary)	50%	50%
Deductible		
Waived on D&P	yes	no
Per Person	\$85	\$80
Family	n/a	n/a
Annual Maximum	None	None
Orthodontics Maximum (Lifetime)	None	None
Waiting Periods (MN Ortho)	12 mos	12 mos
Waiting Periods (Major)	None	None
Out of Pocket Maximum (PPO dentists only)		
per child	\$350	\$350
per 2+ children	\$700	\$700
Dental Accident Benefits	NAB*	NAB*
<b>Rates:</b>		
Region 1	\$28.22	\$22.49

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**  
**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Admin Expenses	22.50%	22.50%
Risk Margin	3.50%	1.00%
Premium Tax	0.00%	0.00%
ACA Tax	1.50%	1.50%
TPA Admin	0.00%	0.00%
Commissions	7.50%	7.50%
Total	35.00%	32.50%
Anticipated Loss Ratio **	65.99%	68.53%
Target Loss Ratio***	65.00%	67.50%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u>CY2011</u>	<u>CY2012</u>	<u>CY2013</u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
Incurred Claims	\$17,011,429	\$15,864,140	\$16,475,297
Number of Incurred Claims	137,931	125,498	125,237
Incurred Loss Ratio	65.8%	64.1%	64.4%



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and XGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The family dental plans are defined in Attachment A and cover standardly covered services.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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", written in a cursive style.

Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
100 First Street  
San Francisco, CA 94105  
(415) 972-8443

**Attachment A**  
**District of Columbia Small Group Family Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Diagnostic & Preventive	100%	100%	100%	100%
Basic Services	80%	50%	80%	50%
Major Services	50%	50%	50%	0%
Orthodontics (Medically Necessary)	50%	50%	NAB*	NAB*
Deductible				
Waived on D&P	yes	no	yes	no
Per Person	\$85	\$80	\$50	\$50
Family	n/a	n/a	\$150	\$150
Annual Maximum	None	None	\$1,000	\$1,000
Othodontics Maximum (Lifetime)	None	None	NAB*	NAB*
Waiting Periods (MN Ortho)	12 mos	12 mos	NAB*	NAB*
Waiting Periods (Major)	None	None	12 mos	None
Out of Pocket Maximum (PPO dentists only)				
per child	\$350	\$350	NAB*	NAB*
per 2+ children	\$700	\$700	NAB*	NAB*
Dental Accident Benefits	NAB*	NAB*	NAB*	NAB*
<b>Rates:</b>				
Region 1	\$28.22	\$22.49	\$46.60	\$21.94

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**

**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Admin Expenses	22.50%	22.50%	22.50%	22.50%
Risk Margin	3.50%	1.00%	3.50%	3.50%
Premium Tax	0.00%	0.00%	0.00%	0.00%
ACA Tax	1.50%	1.50%	1.50%	1.50%
TPA Admin	0.00%	0.00%	0.00%	0.00%
Commissions	7.50%	7.50%	7.50%	7.50%
Total	35.00%	32.50%	35.00%	35.00%
Anticipated Loss Ratio **	65.99%	68.53%	65.99%	65.99%
Target Loss Ratio***	65.00%	67.50%	65.00%	65.00%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u>CY2011</u>	<u>CY2012</u>	<u>CY2013</u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
Incurred Claims	\$17,011,429	\$15,864,140	\$16,475,297
Number of Incurred Claims	137,931	125,498	125,237
Incurred Loss Ratio	65.8%	64.1%	64.4%

**State:** District of Columbia **Filing Company:** Delta Dental Insurance Company  
**TOI/Sub-TOI:** H10G Group Health - Dental/H10G.000 Health Dental  
**Product Name:** DDIC, 15HCR Grp PPO DC, Rates  
**Project Name/Number:** DDIC, 15HCR Grp PPO DC, Rates/DDIC, 15HCR Grp PPO DC, Rates

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Cover Letter All Filings
<b>Comments:</b>	Please see the attached Cover Letter.
<b>Attachment(s):</b>	DDIC HCR Inside Group Cover Letter (Rates).pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

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

<b>Satisfied - Item:</b>	Actuarial Memorandum
<b>Comments:</b>	Please see the attached Actuarial Memorandums.
<b>Attachment(s):</b>	Actuarial Memorandum Delta DC Pediatric PPO Small Group 2014 05 30.pdf Actuarial Memorandum Delta DC Family PPO Small Group 2014 05 30.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Satisfied - Item:</b>	Actuarial Justification
<b>Comments:</b>	Please see the attached Actuarial Memorandums.
<b>Attachment(s):</b>	Actuarial Memorandum Delta DC Pediatric PPO Small Group 2014 05 30.pdf Actuarial Memorandum Delta DC Family PPO Small Group 2014 05 30.pdf
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
<b>Bypass Reason:</b>	This is not a P&C filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
<b>Bypass Reason:</b>	This is not a P&C filing.
<b>Attachment(s):</b>	

SERFF Tracking #:

DDPA-129528166

State Tracking #:

Company Tracking #:

DDIC, 15HCR GRP PPO DC, 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, 15HCR Grp PPO DC, Rates

Project Name/Number: DDIC, 15HCR Grp PPO DC, Rates/DDIC, 15HCR Grp PPO DC, Rates

<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Actuarial Memorandum and Certifications
<b>Bypass Reason:</b>	This is not a binder filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

<b>Bypassed - Item:</b>	Unified Rate Review Template
<b>Bypass Reason:</b>	We are not filing a rate increase or a QHP binder.
<b>Attachment(s):</b>	
<b>Item Status:</b>	
<b>Status Date:</b>	

Dear Sir or Madam:

Enclosed for your review and approval is a new Delta Dental Insurance Company (NAIC Company Code 81396) small group rate filing under SERFF #DDPA-129528166.

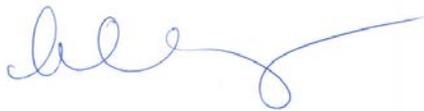
This is an initial rate filing. These rates will be used when our Delta Dental product is sold direct or by a partnership relationship to small employer groups inside the District of Columbia Health Benefit Exchange. We have filed forms for use inside the exchange under SERFF #DDPA-129528167. These products will use the Delta Dental PPO and Delta Dental Premier® networks and will be marketed by the District of Columbia Health Benefit Exchange, licensed agents, brokers, third party administrators, mass marketed via various publications or online.

These rates pertain to pediatric (EHB) plans Small Group/SHOP Pediatric Preferred/High and Basic/Low Plans that will provide the required coverage for the pediatric oral services required by the essential health benefits provisions of the Affordable Care Act (ACA). They also pertain to family plans Small Group/SHOP Family Preferred/High and Basic/Low Plans that will provide the required EHB coverage and dental coverage for anyone over the age of 19.

Our effective date for use of these rates will be January 1, 2015, provided the filing has been approved by or deemed approved by your Department.

Thank you for your attention to this filing. If you should need any additional information or have any questions, please do not hesitate to contact me at (916) 861-1974 or [akoelling@delta.org](mailto:akoelling@delta.org).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Alisa Koelling', with a long horizontal flourish extending to the right.

Alisa Koelling  
Regulatory Analyst  
Delta Dental Insurance Company



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and PGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The pediatric dental EHB are defined in Attachment A and cover essential health benefit services as defined by the state. These comply with the actuarial value requirements for the preferred and basic EHB plans.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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", with a long horizontal flourish extending to the right.

Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
100 First Street  
San Francisco, CA 94105  
(415) 972-8443

**Attachment A**  
**District of Columbia Small Group Pediatric Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Diagnostic & Preventive	100%	100%
Basic Services	80%	50%
Major Services	50%	50%
Orthodontics (Medically Necessary)	50%	50%
Deductible		
Waived on D&P	yes	no
Per Person	\$85	\$80
Family	n/a	n/a
Annual Maximum	None	None
Orthodontics Maximum (Lifetime)	None	None
Waiting Periods (MN Ortho)	12 mos	12 mos
Waiting Periods (Major)	None	None
Out of Pocket Maximum (PPO dentists only)		
per child	\$350	\$350
per 2+ children	\$700	\$700
Dental Accident Benefits	NAB*	NAB*
<b>Rates:</b>		
Region 1	\$28.22	\$22.49

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**  
**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Admin Expenses	22.50%	22.50%
Risk Margin	3.50%	1.00%
Premium Tax	0.00%	0.00%
ACA Tax	1.50%	1.50%
TPA Admin	0.00%	0.00%
Commissions	7.50%	7.50%
Total	35.00%	32.50%
Anticipated Loss Ratio **	65.99%	68.53%
Target Loss Ratio***	65.00%	67.50%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u>CY2011</u>	<u>CY2012</u>	<u>CY2013</u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
Incurred Claims	\$17,011,429	\$15,864,140	\$16,475,297
Number of Incurred Claims	137,931	125,498	125,237
Incurred Loss Ratio	65.8%	64.1%	64.4%



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and XGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The family dental plans are defined in Attachment A and cover standardly covered services.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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", with a long horizontal flourish extending to the right.

Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
100 First Street  
San Francisco, CA 94105  
(415) 972-8443

**Attachment A**  
**District of Columbia Small Group Family Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Diagnostic & Preventive	100%	100%	100%	100%
Basic Services	80%	50%	80%	50%
Major Services	50%	50%	50%	0%
Orthodontics (Medically Necessary)	50%	50%	NAB*	NAB*
Deductible				
Waived on D&P	yes	no	yes	no
Per Person	\$85	\$80	\$50	\$50
Family	n/a	n/a	\$150	\$150
Annual Maximum	None	None	\$1,000	\$1,000
Othodontics Maximum (Lifetime)	None	None	NAB*	NAB*
Waiting Periods (MN Ortho)	12 mos	12 mos	NAB*	NAB*
Waiting Periods (Major)	None	None	12 mos	None
Out of Pocket Maximum (PPO dentists only)				
per child	\$350	\$350	NAB*	NAB*
per 2+ children	\$700	\$700	NAB*	NAB*
Dental Accident Benefits	NAB*	NAB*	NAB*	NAB*
<b>Rates:</b>				
Region 1	\$28.22	\$22.49	\$46.60	\$21.94

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**

**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Admin Expenses	22.50%	22.50%	22.50%	22.50%
Risk Margin	3.50%	1.00%	3.50%	3.50%
Premium Tax	0.00%	0.00%	0.00%	0.00%
ACA Tax	1.50%	1.50%	1.50%	1.50%
TPA Admin	0.00%	0.00%	0.00%	0.00%
Commissions	7.50%	7.50%	7.50%	7.50%
Total	35.00%	32.50%	35.00%	35.00%
Anticipated Loss Ratio **	65.99%	68.53%	65.99%	65.99%
Target Loss Ratio***	65.00%	67.50%	65.00%	65.00%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u>CY2011</u>	<u>CY2012</u>	<u>CY2013</u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
Incurred Claims	\$17,011,429	\$15,864,140	\$16,475,297
Number of Incurred Claims	137,931	125,498	125,237
Incurred Loss Ratio	65.8%	64.1%	64.4%



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and PGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The pediatric dental EHB are defined in Attachment A and cover essential health benefit services as defined by the state. These comply with the actuarial value requirements for the preferred and basic EHB plans.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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.



Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
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**Attachment A**  
**District of Columbia Small Group Pediatric Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Diagnostic & Preventive	100%	100%
Basic Services	80%	50%
Major Services	50%	50%
Orthodontics (Medically Necessary)	50%	50%
Deductible		
Waived on D&P	yes	no
Per Person	\$85	\$80
Family	n/a	n/a
Annual Maximum	None	None
Orthodontics Maximum (Lifetime)	None	None
Waiting Periods (MN Ortho)	12 mos	12 mos
Waiting Periods (Major)	None	None
Out of Pocket Maximum (PPO dentists only)		
per child	\$350	\$350
per 2+ children	\$700	\$700
Dental Accident Benefits	NAB*	NAB*
<b>Rates:</b>		
Region 1	\$28.22	\$22.49

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**  
**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>
Admin Expenses	22.50%	22.50%
Risk Margin	3.50%	1.00%
Premium Tax	0.00%	0.00%
ACA Tax	1.50%	1.50%
TPA Admin	0.00%	0.00%
Commissions	7.50%	7.50%
Total	35.00%	32.50%
Anticipated Loss Ratio **	65.99%	68.53%
Target Loss Ratio***	65.00%	67.50%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u>CY2011</u>	<u>CY2012</u>	<u>CY2013</u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
Incurred Claims	\$17,011,429	\$15,864,140	\$16,475,297
Number of Incurred Claims	137,931	125,498	125,237
Incurred Loss Ratio	65.8%	64.1%	64.4%



ACTUARIAL MEMORANDUM  
Delta Dental Insurance Company  
State of District of Columbia  
May 30, 2014

Form Number GC-DC-ENT-15 and XGE-DC-ENT-15

**1. Scope and Purpose of Filing**

This filing is for the above Delta Dental Insurance Company (DDIC) forms.

**2. Description of Benefits**

The family dental plans are defined in Attachment A and cover standardly covered services.

**3. Renewability**

All small group dental programs are optionally renewable. Premiums are guaranteed for each 12-month contract term.

**4. Applicability**

DDIC anticipates both new issues and renewals under these forms.

**5. Morbidity**

The proposed rates were developed using the Delta Dental Insurance Company (DDIC), NAIC #81396, rating manual, which is currently in use in numerous states. Adjustments have been made to reflect the fee schedules and area definitions associated with this filing.

**6. Mortality**

Not applicable.

**7. Persistency**

Loss ratios are expected to be consistent over time. As a result, there are no lapse assumptions.

**8. Expenses**

Expenses are shown in Attachment B. Co-marketing in conjunction with a medical plan, may require a change in administrative assumptions due to division of labor between medical and dental, cost sharing, etc.

**9. Marketing Method**

This will be sold to small groups through the District of Columbia health exchange or through agents and brokers inside or outside the exchange.

**10. Underwriting**

The plans are manually rated.

**11. Premium Classes**

Gross premiums vary by plan designs illustrated in Attachment A.

**12. Issue Age Range**

Not applicable.

**13. Area Factors**

Manual rates are adjusted by region.

**14. Premium Modalization Rules**

Not applicable.

**15. Claim Liability and Reserves**

This reserve is projected from historical claims runoff, using a common reserving methodology.

**16. Active Life Reserves**

Not applicable since this is a dental program.

**17. Trend Assumptions**

The annual cost trend rate is 3%.

**18. Anticipated Loss Ratio**

The anticipated loss ratio is shown in Attachment B.

**19. Distribution of Business**

Not applicable since this is a new plan as of 1/1/2015.

**20. Contingency and Risk Margins**

Risk margin is shown in Attachment B.

**21. Experience**

Please see Attachment C for DDIC small group experience.

**22. Lifetime Loss Ratio**

The lifetime loss ratio is equal to the anticipated loss ratio.

**23. Number of Policyholders**

Not applicable since this is a new plan as of 1/1/2015.

**24. Proposed Effective Date**

01/01/2015.

**25. 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

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- 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", written in a cursive style.

Thomas J. Leibowitz, FSA, MAAA  
Vice President and Chief Actuary  
Delta Dental Insurance Company  
100 First Street  
San Francisco, CA 94105  
(415) 972-8443

**Attachment A**  
**District of Columbia Small Group Family Dental Benefits**

<b>PPO/PPO</b>	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Diagnostic & Preventive	100%	100%	100%	100%
Basic Services	80%	50%	80%	50%
Major Services	50%	50%	50%	0%
Orthodontics (Medically Necessary)	50%	50%	NAB*	NAB*
Deductible				
Waived on D&P	yes	no	yes	no
Per Person	\$85	\$80	\$50	\$50
Family	n/a	n/a	\$150	\$150
Annual Maximum	None	None	\$1,000	\$1,000
Othodontics Maximum (Lifetime)	None	None	NAB*	NAB*
Waiting Periods (MN Ortho)	12 mos	12 mos	NAB*	NAB*
Waiting Periods (Major)	None	None	12 mos	None
Out of Pocket Maximum (PPO dentists only)				
per child	\$350	\$350	NAB*	NAB*
per 2+ children	\$700	\$700	NAB*	NAB*
Dental Accident Benefits	NAB*	NAB*	NAB*	NAB*
<b>Rates:</b>				
Region 1	\$28.22	\$22.49	\$46.60	\$21.94

\* NAB is not a benefit

Note: Covered procedures are defined in the forms

**Attachment B**

**District of Columbia Small Group Administrative Expenses (as a percent of premium)**

	<b>Pediatric Preferred</b>	<b>Pediatric Basic</b>	<b>Adult Preferred</b>	<b>Adult Basic</b>
Admin Expenses	22.50%	22.50%	22.50%	22.50%
Risk Margin	3.50%	1.00%	3.50%	3.50%
Premium Tax	0.00%	0.00%	0.00%	0.00%
ACA Tax	1.50%	1.50%	1.50%	1.50%
TPA Admin	0.00%	0.00%	0.00%	0.00%
Commissions	7.50%	7.50%	7.50%	7.50%
Total	35.00%	32.50%	35.00%	35.00%
Anticipated Loss Ratio **	65.99%	68.53%	65.99%	65.99%
Target Loss Ratio***	65.00%	67.50%	65.00%	65.00%

\*\* Anticipated Loss Ratio = (1 - Total) / (1 - Premium Tax - ACA Tax)

\*\*\* Target Loss Ratio = (1 - Total)

**Attachment C**  
**DDIC Small Group Experience**

	<u><b>CY2011</b></u>	<u><b>CY2012</b></u>	<u><b>CY2013</b></u>
Number of Policy Holders	3,496	3,233	3,114
Number of Certificate Holders	40,197	38,607	38,955
Earned Premium	\$25,848,980	\$24,734,953	\$25,567,789
Average Annual Premium	\$643	\$641	\$656
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