

Rate Increase Justification

Today's Date: 10/7/2022

Issuer: California Dental Network

Rate Change Effective Date: 01/01/2023

Market: CC Individual Exchange

1. **Scope and range of the rate increase** — *Provide the number of individuals impacted by the rate increase. Explain any variation in the increase among affected individuals (e.g., describe how any changes to the rating structure impact premium).*

- i. 2.8% for all adults in Southern California regions. 14,578 members.

2. **Financial experience of the product** — *Describe the overall financial experience of the product, including historical summary-level information on historical premium revenue, claims expenses, and profit. Discuss how the rate increase will affect the projected financial experience of the product.*

See the included CA Rate Development - DHMO Individual Exchange_20220527.pdf for all information on the rate change.

3. **Changes in Medical Service Costs** — *Describe how changes in medical service costs are contributing to the overall rate increase. Discuss cost and utilization changes as well as any other relevant factors that are impacting overall service costs.*

See the included CA Rate Development - DHMO Individual Exchange_20220527.pdf for all information on the rate change.

4. **Changes in benefits** — *Describe any changes in benefits and explain how benefit changes affect the rate increase. Issuers should explain whether the applicable benefit changes are required by law.*

See the included CA Rate Development - DHMO Individual Exchange_20220527.pdf for all information on the rate change.

5. **Administrative costs and anticipated margins** — *Identify the main drivers of changes in administrative costs. Discuss how changes in anticipated administrative costs and underwriting gain/loss are impacting the rate increase.*

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