

**California Department of Managed Health Care/Department of Insurance  
Medical Loss Ratio Reporting Form  
Dental Coverage**

<b>1. MLR Reporting Year</b>	<b>2014</b>
<b>2. Enter DMHC Health Plan ID. Insurers may leave this field blank</b>	
<b>3. Legal Name</b>	<b>Principal Life Insurance Company</b>
<b>4. DBA</b>	<b>Principal Financial Group</b>
<b>5. Federal Tax Exempt Status? Please enter Yes or No</b>	<b>no</b>

**Cell Key:**  
**Blank cells require input from Health plan or Health insurer**

Version 4.22.15  
Revised Version 5.26.15



Health Plan ID: 0  
 Local Name: Principal Life Insurance Company  
 dBA: Principal Financial Group  
 MLR Reporting Year: 2014

# Part 2

Part 2 NOTE: REFER TO MLR INSTRUCTIONS FOR IMPORTANT INFORMATION ABOUT	Health Insurance Coverage						Health Insurance Coverage					
	Dental Products						Dental & Indemnity Products					
	Individual		Small Group		Large Group		Individual		Small Group		Large Group	
	Total as of 12/31/14	Total as of 3/31/15	Total as of 12/31/14	Total as of 3/31/15	Total as of 12/31/14	Total as of 3/31/15	Total as of 12/31/14	Total as of 3/31/15	Total as of 12/31/14	Total as of 3/31/15	Total as of 12/31/14	Total as of 3/31/15
	1	2	3	4	5	6	7	8	9	10	11	12
1. Premium:												
1.1 Direct premium written									\$ 74,777,466	\$ 74,777,466	\$ 77,288,539	\$ 77,288,539
1.2 Unearned premium prior year								\$ 198,611	\$ 198,611	\$ 13,013	\$ 13,013	
1.3 Unearned premium MLR Reporting year								\$ 174,414	\$ 174,414	\$ 12,246	\$ 12,246	
1.4 Premium balances written off								\$ -	\$ -	\$ -	\$ -	
2. Claims:												
2.1 Claims Paid:												
2.1a Claims paid during the MLR reporting year regardless of incurred date									\$ 45,274,512		\$ 53,988,804	
2.1b Claims incurred only during the MLR reporting year, paid through 3/31 of the following year									\$ 47,932,948		\$ 57,407,738	
2.2 Direct claim liability:												
2.2a Liability as of 12/31 of MLR reporting year for all claims regardless of incurred date									\$ 2,974,395		\$ 3,074,277	
2.2b Liability for claims incurred only during the MLR reporting year, calculated as of 3/31 of the following year									\$ 325,502		\$ 336,433	
2.3 Direct claim liability prior year									\$ 2,889,927		\$ 2,986,972	
2.4 Direct claim reserves:												
2.4a Reserves as of 12/31 of MLR reporting year for all claims regardless of incurred date												
2.4b Reserves for claims incurred only during the MLR reporting year, calculated as of 3/31 of the following year												
2.5 Direct claim reserves prior year												
2.6 Experience rating refunds (rate credits) paid:												
2.6a Experience rating refunds, with all incurred dates, paid in the MLR reporting year												
2.6b Experience rating refunds associated with premium earned only in the reporting year and paid through 3/31 of the following year												
2.7 Reserve for experience rating refunds (rate credits):												
2.7a Reserved in MLR reporting year regardless of incurred date												
2.7b Reserves specific to the MLR reporting year through 3/31 of the following year												
2.8 Reserve for experience rating refunds (rate credits) prior year												
2.9 Incurred dental incentive pool and bonuses:												
2.9a Paid dental incentive pools and bonuses MLR Reporting year												
2.9b Accrued dental incentive pools and bonuses MLR Reporting year												
2.9c Accrued dental incentive pools and bonuses prior year												
2.10 Contingent benefit and lawsuit reserves												
2.11 Total incurred claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,358,980	\$ 48,258,450	\$ 54,076,109	\$ 57,744,171

Cell Keys:  
 Blank cells require input from Health plan or Health insurer  
 Green cells require no data input  
 Pink cells require no data input - locked down  
 Blue cells: computed cell (formula cell)

Health Plan ID  
 0  
 Local Name  
 Principal Life Insurance Company  
 dBA  
 Principal Financial Group  
 MLR Reporting Year  
 2014

### Part 3

Description of Expense Element (by Type)	NEW	Detailed Description of Expense Allocation Methods
1	2	3
<b>1. Incurred Claims</b>		
2.1 Incurred Claims		Claims data exist at the policy contract level. The incurred claims were allocated between small and large based on the classification of that contract in accordance with the definition of small and large as provided for in the AB1962 instructions.
<b>2. Federal and State Taxes and Licensing or Regulatory Fees</b>		
2.a Federal taxes and assessments		
Federal Taxes and assessments		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.
2.b State insurance, premium and other taxes		
3.2a State income taxes		
3.2a State income taxes		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.
3.2 b State premium taxes		
3.2 b State premium taxes		The premium tax rate assessed by California business for the reporting period was applied to the reported premiums and was allocated between small and large based on the related premiums.
2.c Community benefit expenditures		
3.2c Community Benefit expenditures		
3.2c Community Benefit expenditures		There are no expenses that meet this definition.
2.d Regulatory authority licenses and fees		
3.3 Regulatory authority licenses and fees		
3.3 Regulatory authority licenses and fees		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.
<b>3. Non-Claims costs</b>		
3.a Direct sales salaries and benefits		
4.1 Direct sale salaries and benefits		
4.1 Direct sale salaries and benefits		The portion attributable to California was based on the sales personnel that support the California market. The expense was allocated between small and large proportional to the related premiums.
3.b Agents and brokers fees and commissions		
4.2 Agents and brokers fees and commissions		
4.2 Agents and brokers fees and commissions		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.
3.c Other taxes		
4.3 Other taxes		
4.3 Other taxes		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.
3.d Other general and administrative expenses		
4.4 Other general and administrative expenses		
4.4 Other general and administrative expenses		The portion attributed to the California business was determined based on premiums and was allocated between small and large based on the related premiums.

Cell Keys:  
 Blank cells require input from Health plan or Health insurer  
 Grey cells require no data input  
 Pink cells require no data input - locked down  
 Blue cells: computed cell (formula cell)

Health Plan ID  
 0  
 Local Name  
 Principal Life Insurance Company  
 dBA  
 Principal Financial Group  
 MLR Reporting Year  
 2014

# Part 4

Part 4 NOTE: REFER TO MLR INSTRUCTIONS FOR IMPORTANT INFORMATION ABOUT COMPLETING EACH COLUMN AND ROW.		Health Insurance Coverage 2014 Products												Health Insurance Coverage 2015 Products																			
		Individual				Small Group				Large Group				Individual				Small Group				Large Group											
		PY2	PY1	CY	Total	PY2	PY1	CY	Total	PY2	PY1	CY	Total	PY2	PY1	CY	Total	PY2	PY1	CY	Total	PY2	PY1	CY	Total	PY2	PY1	CY	Total				
1.1	Medical Loss Ratio Numerator Adjusted incurred claims as reported on MLR Form for prior year(s) (Part 1 Line 2.1)																																
1.2	Adjusted incurred claims as of 3/31 of the year following the MLR reporting year (Part 1 Line 2.1)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	48,258,450	\$	48,258,450	\$	57,744,171	\$	57,744,171	\$	48,258,450	\$	48,258,450	\$	57,744,171	\$	57,744,171
1.3	MLR numerator (Line 1.2)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	48,258,450	\$	48,258,450	\$	57,744,171	\$	57,744,171	\$	48,258,450	\$	48,258,450	\$	57,744,171	\$	57,744,171
2.1	Medical Loss Ratio Denominator Premium earned (Part 1 Line 1.1)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	74,801,664	\$	74,801,664	\$	77,289,307	\$	77,289,307	\$	74,801,664	\$	74,801,664	\$	77,289,307	\$	77,289,307
2.2	Federal and State taxes and licensing or regulatory fees (Part 1 Line 3.4)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	4,802,697	\$	4,802,697	\$	4,963,405	\$	4,963,405	\$	4,802,697	\$	4,802,697	\$	4,963,405	\$	4,963,405
2.3	MLR Denominator (Line 2.1 - Line 2.2)	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	69,998,967	\$	69,998,967	\$	72,325,902	\$	72,325,902	\$	69,998,967	\$	69,998,967	\$	72,325,902	\$	72,325,902
3.1	Life-years (Part 1 Line 5.3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	107,384	107,384	107,384	107,384	133,431	133,431	133,431	133,431	107,384	107,384	107,384	107,384	133,431	133,431		
4.1	MLR Calculation (for Health plans or health insurers with at least 1,000 life years in the Total column of Line 3.1)	Met Requirement				Met Requirement				Met Requirement				Met Requirement				68.94%				79.84%											

Cell Keys:  
 Blank cells require input from Health plan or Health Insurer  
 Gray cells require no data input  
 Pink cells require no data input - locked down  
 Blue cells: computed cell (formula cell)



**Department of Managed Health Care  
Medical Loss Ratio Reporting Form: Dental Coverage  
Attestation**

**Health Plan ID**

0

**Legal Name**

**Principal Life Insurance Company**

**dBA**

**Principal Financial Group**

**MLR Reporting Year**

2014

## Attestation

*Attestation Statement*

The officers of this reporting Health plan being duly sworn, each attest that he/she is the described officer of the reporting Health plan, and that this MLR Reporting Form, the Company/Health plan Associations, and any supplemental submission that the Health plan includes are full and true statements of all the elements included therein for the MLR reporting year stated above, and that the MLR Reporting Form has been completed in accordance with the Department of Managed Health Care's guidance and reporting instructions, according to the best of his/her information, knowledge and belief. Furthermore, the scope of this attestation by the described officer includes any related electronic filings and postings for the MLR reporting year stated above and which are required by Department of Managed Health Care.

Chief Executive Officer/President

---

Chief Financial Officer