



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

ORDER

After full consideration and review of the report of the financial examination of Cigna Dental Health of Missouri, Inc. for the period ended December 31, 2023, together with any written submissions or rebuttals and any relevant portions of the examiner's workpapers, I, Angela L. Nelson, Director of the Missouri Department of Commerce and Insurance pursuant to section 374.205.3(3)(a), RSMo, adopt such examination report. After my consideration and review of such report, workpapers, and written submissions or rebuttals, I hereby incorporate by reference and deem the following parts of such report to be my findings and conclusions to accompany this order pursuant to section 374.205.3(4), RSMo: summary of significant finding, company history, management and control, territory and plan of operation, growth of company and loss experience, reinsurance, accounts and records, financial statements, comments on financial statement items, financial statement changes resulting from examination, and summary of recommendations.

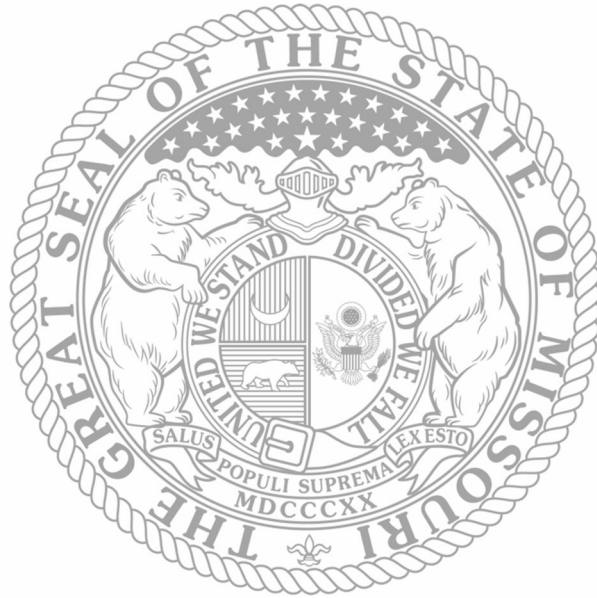
Based on such findings and conclusions, I hereby ORDER that the report of the financial examination of Cigna Dental Health of Missouri, Inc. as of December 31, 2023, be and is hereby ADOPTED as filed and for Cigna Dental Health of Missouri, Inc. to take the following action or actions, which I consider necessary to cure any violation of law, regulation or prior order of the Director revealed by such report: (1) account for its financial condition and affairs in a manner consistent with the Director's findings and conclusions.

So ordered, signed and official seal affixed this 30th day of June, 2025.



A handwritten signature in blue ink that reads "Angela L. Nelson".

Angela L. Nelson, Director
Department of Commerce and Insurance



REPORT OF
FINANCIAL EXAMINATION OF

CIGNA DENTAL HEALTH OF MISSOURI, INC.

AS OF
DECEMBER 31, 2023

**STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE**

JEFFERSON CITY, MISSOURI

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Clayton, MO
May 15, 2025

Honorable Angela L. Nelson, Director
Missouri Department of Commerce and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101

Director Nelson:

In accordance with your financial examination warrant, a full-scope financial examination has been made of the records, affairs, and financial condition of

Cigna Dental Health of Missouri, Inc. (NAIC #11160)

hereinafter referred to as such, as CDHMO, or as the Company. Its administrative office is located at 1571 Sawgrass Corporate Parkway, Suite 300, Sunrise, Florida 33323, telephone number 954-514-6600. The fieldwork for this examination began on January 8, 2024, and concluded on the above date.

SCOPE OF EXAMINATION

Period Covered

The Missouri Department of Commerce and Insurance (Department) has performed a single-state financial examination of Cigna Dental Health of Missouri, Inc. The last examination of the Company by the Department covered the period of January 1, 2015, through December 31, 2018. The current examination covers the period of January 1, 2019, through December 31, 2023, as well as a review of any material transactions and events occurring subsequent to the examination period through the date of this report.

Procedures

We conducted our examination in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook (Handbook)*, except where practices, procedures, and applicable regulations of the Department or statutes of the state of Missouri prevailed. The *Handbook* requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, and evaluate system controls and procedures used to mitigate those risks. An examination also includes the identification and evaluation of significant risks that could cause the Company's surplus to be materially misstated, both on a current and prospective basis.

This examination also included a review of significant estimates made by management and evaluation of management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If, during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company's financial statements.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. Those activities considered in the examination as key to CDHMO included investments, financial reporting, capital & surplus, related parties & expenses, taxes, reserves &

claims handling, underwriting, actuarial reserving, and actuarial pricing. The examination also included a review and evaluation of information technology general controls.

This examination was conducted as part of a coordinated examination of The Cigna Group, which consists of 40 insurance companies domiciled in numerous states. The Connecticut Insurance Department is the lead state regulator for the group. Along with Missouri, 19 other states participated in the coordinated examination. The examination was also conducted concurrently with the examination of the Company's Missouri domiciled affiliate, Cigna HealthCare of St. Louis, Inc.

This examination report includes significant findings of fact, as mentioned in Section 374.205 RSMo (Examination, director may conduct, when...) and general information about the Company and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions, proprietary information, etc.), are not included within the examination report but are separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

There were no material adverse findings, significant non-compliance issues, or material changes to the financial statements noted during the examination.

COMPANY HISTORY

General

Cigna Dental Health of Missouri, Inc. was incorporated on April 4, 2000, and began operations on January 1, 2002, under Chapter 354 RSMo (Health Services Corporations-Health Maintenance Corporations-Prepaid Dental Plans). The Company is a prepaid dental plan that provides dental membership to groups in Missouri.

Mergers, Acquisitions, and Major Corporate Events

There were no mergers, acquisitions, or other major corporate events during the examination period.

Dividends and Capital Contributions

There were no capital contributions received during the examination period.

The Company declared and paid extraordinary dividends as follows. All dividends were approved by the Department.

Year	Amount
2019	\$ 865,000
2020	1,582,000
2021	1,200,000
2022	1,500,000
2023	1,250,000
Total	\$ 6,397,000

Surplus Notes

There were no surplus notes issued or outstanding during the examination period.

MANAGEMENT AND CONTROL

Board of Directors

The management of the Company is vested in a Board of Directors that are elected by the shareholders. The Company's Bylaws specify that there shall be three or more Directors. The Board of Directors elected and serving as of December 31, 2023, were as follows:

<u>Name and Address</u>	<u>Principal Occupation and Business Affiliation</u>
Manish Naik Vienna, Virginia	President Cigna Dental Health of Missouri, Inc.
Puja Lakdawala West Hartford, Connecticut	Vice President Cigna Dental Health of Missouri, Inc.
Julia Huggins Westminster, Maryland	Vice President Cigna Dental Health of Missouri, Inc.

Senior Officers

The officers elected and serving, as of December 31, 2023, were as follows:

<u>Name</u>	<u>Office</u>
Manish Naik	President
Geneva Brown	Secretary
Scott Lambert	Treasurer
Rebecca Skripol	Actuary
Lance Manuel Thomas	Vice President
Mark Paul Fleming	Vice President
Joanne Ruth Hart	Vice President
Puja Lakdawala	Vice President
Kathleen Murphy O'Neil	Vice President
Julia Huggins	Vice President

Principal Committees

The Company does not have an Audit Committee. CDHMO relies upon the Audit Committee of an upstream parent company, Connecticut General Corporation, to fulfill the requirement of RSMo 375.1030 (Annual audit report required, report filed, when – extensions granted, when – audit committee required, when). No Board Committees have been established by CDHMO. The Company relies upon the various committees of its upstream parent to guide CDHMO's management.

Corporate Records

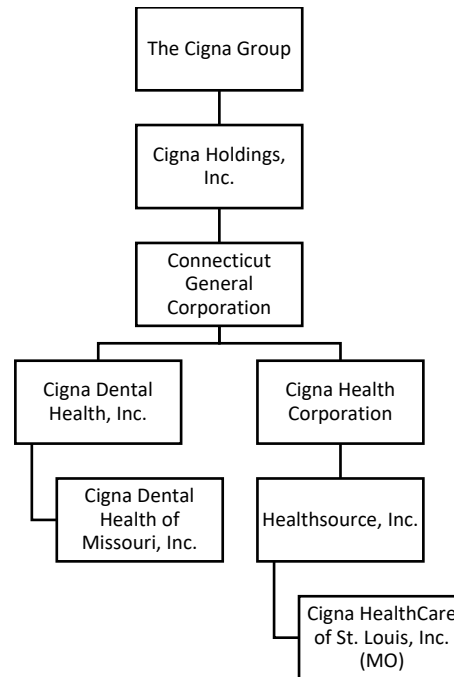
The Company's Articles of Incorporation and Bylaws were reviewed. There were no revisions to either document during the examination period. The minutes of the Board and shareholders were reviewed for the period under examination.

Holding Company, Subsidiaries, and Affiliates

CDHMO is a member of an Insurance Holding Company System, as defined by Section 382.010 RSMo (Definitions). The ultimate controlling entity is The Cigna Group, a publicly-traded company. The Company's immediate parent is Cigna Dental Health, Inc.

Organizational Chart

The following organizational chart depicts the applicable portion of the holding company group as of December 31, 2023.

**Intercompany Transactions**

The following agreements represent significant contracts executed with affiliated entities that were in effect as of December 31, 2023. A brief description of these agreements are as follows:

Administrative Services Agreement: Agreement between Cigna Dental Health, Inc. and the Company. Under the agreement, Cigna Dental Health, Inc. provides specified administrative services for the Company. The Company pays a monthly fee that is based on the number of billed subscribers for each group.

Investment Advisory Agreement: Agreement between Cigna Investments, Inc. and the Company. Under the agreement, Cigna Investments, Inc. provides investment management and brokerage services. The Company pays a quarterly fee for the service that is based on the size of the assets managed.

Dental Network Access and Services Agreement: Agreement between Cigna Health and Life Insurance Company and affiliates, including the Company. Under the agreement, the parties agree to provide access to their provider networks and/or administrative services. The rate charged is based on the cost of the service provided.

Consolidated Federal Income Tax Agreement: Agreement between Cigna Corporation and its participating subsidiaries, including the Company. Under the agreement, federal tax payments are based on each subsidiary's taxable income and refunds are based on the subsidiary's taxable loss to the extent that Cigna Corporation is able to use the loss in the consolidated tax return.

State Income Tax Sharing Agreement: Agreement between Cigna Corporation and its participating subsidiaries, including the Company. Under the agreement, state tax payments are based on each subsidiary's taxable income and refunds are based on the subsidiary's taxable loss to the extent that Cigna Corporation is able to use the loss in the consolidated tax return.

TERRITORY AND PLAN OF OPERATION

The Company is licensed as a Prepaid Dental Plan under Chapter 354 RSMo (Health Services Corporation-Health Maintenance Organizations-Prepaid Dental Plans) to offer coverage on a prepaid basis. All business is written in Missouri. Dental services are listed in a schedule of benefits. A network of dentists and specialists is maintained with payments made on a capitation basis.

GROWTH OF COMPANY AND LOSS EXPERIENCE

The table below summarizes the Company's growth for the period under examination:

(\$000s omitted)

Year	Total Assets	Net Premiums Earned	Underwriting Gain (Loss)	Net Income (Loss)	Capital and Surplus	Ratio of Net Premiums to Surplus
2019	\$ 2,027	\$ 5,212	\$ 1,232	\$ 998	\$ 1,723	3.0
2020	1,875	5,658	1,840	1,434	1,575	3.6
2021	2,063	5,782	1,687	1,333	1,708	3.4
2022	2,171	5,663	1,868	1,517	1,725	3.3
2023	2,482	5,248	1,964	1,654	2,129	2.5

The table below summarizes the Company's total revenues, incurred hospital and medical expenses, and medical loss ratios for the period under examination:

(\$000s omitted)

Year	Total Revenues	Total Hospital and Medical Benefits	Medical Loss Ratio
2019	\$ 5,212	\$ 3,626	0.70
2020	5,658	3,298	0.58
2021	5,782	3,658	0.63
2022	5,663	3,347	0.59
2023	5,248	2,899	0.55

REINSURANCE

The Company did not assume or cede premium during the period under examination.

ACCOUNTS AND RECORDS

Independent Auditor

The certified public accounting (CPA) firm, PricewaterhouseCoopers LLP, in Hartford, Connecticut, performed the statutory audit of the Company for all years under examination. Reliance was placed upon the CPA workpapers as deemed appropriate.

Actuarial Opinion

The Company's actuarial opinion regarding reserves and other actuarial items was issued by Rebecca A. Skripol, FSA, MAAA for 2022 and 2023. Rebecca A. Skripol is employed by The Cigna Group in Bloomfield, Connecticut.

The Company's actuarial opinion regarding reserves and other actuarial items was issued by Gregory N. Malone, FSA, MAAA for 2019, 2020, and 2021. Gregory N. Malone is employed by The Cigna Group in Bloomfield, Connecticut.

Consulting Actuary

Pursuant to a contract with the Connecticut Insurance Department, Rebecca Sheppard, FSA, MAAA of Risk & Regulatory Consulting, reviewed the underlying actuarial assumptions and methodologies used by CDHMO to determine the adequacy of reserves and other actuarial items. Rebecca Sheppard determined that the Company made a reasonable provision for the reserves and other actuarial items that were reported in the statutory financial statements, as of December 31, 2023.

Information Systems

In conjunction with this examination, Philip McMurray, AES, IT Specialist with Risk & Regulatory Consulting, conducted a review of the Company's information systems.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of Cigna Dental Health of Missouri, Inc. for the period ending December 31, 2023. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the financial statements and should be considered an integral part of the financial statements. The failure of any column of numbers to add to its respective total is due to rounding or truncation.

There may have been additional differences found in the course of this examination, which are not shown in the "Comments on Financial Statement Items." These differences were determined to be immaterial concerning their effect on the financial statements, and therefore were only communicated to the Company and noted in the workpapers for each individual key activity.

ASSETS

As of December 31, 2023

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 54,824	\$	\$ 54,824
Cash, Cash Equivalents, and Short-Term Investments	1,856,114		1,856,114
Investment Income Due and Accrued	9,138		9,138
Premiums and Considerations:			
Uncollected Premiums and Agents' Balances in the Course of Collection	436,026	1,918	434,108
Net Deferred Tax Asset	1,216		1,216
Receivables from Parent, Subsidiaries, and Affiliates	127,064		127,064
TOTAL ASSETS	\$ 2,484,382	\$ 1,918	\$ 2,482,464

LIABILITIES, CAPITAL AND SURPLUS

As of December 31, 2023

Claims Unpaid	\$ 230,375
Unpaid Claims Adjustment Expenses	2,465
Premiums Received in Advance	5,415
General Expenses Due or Accrued	93,723
Current Federal and Foreign Income Tax Payable and Interest Thereon	18,589
Remittances and Items Not Allocated	2,791
TOTAL LIABILITIES	\$ 353,358
Aggregate Write-Ins for Special Surplus Funds	150,000
Common Capital Stock	50,000
Gross Paid-In and Contributed Surplus	52,000
Unassigned Funds (Surplus)	1,877,106
TOTAL CAPITAL AND SURPLUS	\$ 2,129,106
TOTAL LIABILITIES AND SURPLUS	\$ 2,482,464

STATEMENT OF REVENUE AND EXPENSES

For the Year Ended December 31, 2023

Net Premium Income	\$ 5,247,906
Total Revenue	\$ 5,247,906
Hospital/Medical Benefits	
Other Professional Services	2,744,647
Outside Referrals	154,084
Claims Adjustment Expenses	8,115
General Administrative Expenses	377,172
Total Underwriting Deductions	\$ 3,284,018
Net Underwriting Gain (Loss)	\$ 1,963,888
Net Investment Income Earned	96,119
Net Investment Gain (Loss)	\$ 96,119
Net Gain (Loss) from Agents' or Premium Balances Charged Off	31
Aggregate Write-Ins for Other Income or Expenses	33,711
Net Income (Loss) After Capital Gains Tax and Before All Other Federal Income Taxes	\$ 2,093,749
Federal and Foreign Income Taxes Incurred	439,589
NET INCOME (LOSS)	\$ 1,654,160

RECONCILIATION OF CAPITAL AND SURPLUS

Changes from January 1, 2019, to December 31, 2023

(\$000's omitted)

	2019	2020	2021	2022	2023
Capital and Surplus,					
Beginning of Year	\$ 1,590	\$ 1,723	\$ 1,575	\$ 1,708	\$ 1,725
Net Income (Loss)	998	1,434	1,333	1,517	1,654
Change in Nonadmitted Assets				(1)	1
Transferred from Capital					
Dividends to Stockholders	(865)	(1,582)	(1,200)	(1,500)	(1,250)
Net Change in Capital and Surplus	133	(148)	133	16	405
Capital and Surplus, End of Year	\$ 1,723	\$ 1,575	\$ 1,708	\$ 1,725	\$ 2,129

COMMENTS ON FINANCIAL STATEMENT ITEMS

None

FINANCIAL STATEMENT CHANGES RESULTING FROM EXAMINATION

None

SUMMARY OF RECOMMENDATIONS

None

SUBSEQUENT EVENTS

There were no significant subsequent events noted from December 31, 2023, through the date of the report.

ACKNOWLEDGMENT

The assistance and cooperation extended by the officers and the employees of Cigna Dental Health of Missouri, Inc. during the course of this examination is hereby acknowledged and appreciated. In addition to the undersigned, Conner Nilges, CFE, examiner for the Missouri Department of Commerce and Insurance, also participated in this examination.

VERIFICATION

State of Missouri)
)
 County of Cole) ss

I, Joshua Nash, CPA, CFE, on my oath swear that to the best of my knowledge and belief the above examination report is true and accurate and is comprised of only facts appearing upon the books, records, or other documents of Cigna Dental Health of Missouri, Inc., its agents or other persons examined, or as ascertained from the testimony of its officers or agents or other persons examined concerning its affairs, and such conclusions and recommendations as the examiners find reasonably warranted from the facts.

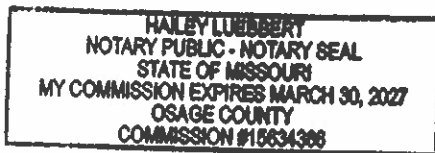

 Joshua Nash, CPA, CFE
 Examiner-In-Charge
 Missouri Department of Commerce and
 Insurance

Sworn to and subscribed before me this 28th day of May, 2025.

My commission expires:

March 30, 2027


 Notary Public



SUPERVISION

The examination process has been monitored and supervised by the undersigned. The examination report and supporting workpapers have been reviewed and approved. Compliance with NAIC procedures and guidelines as contained in the *Financial Condition Examiners Handbook* has been confirmed, except where practices, procedures, and applicable regulations of the Missouri Department of Commerce and Insurance and statutes of the state of Missouri prevailed.



Michael R. Shadowens, CFE
Assistant Chief Financial Examiner
Missouri Department of Commerce and
Insurance