

DELTA DENTAL OF MINNESOTA
**BROKER
UPDATE**

INSIDE

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Annual Report

Delta Dental of
Minnesota receives
high marks from
A.M. Best

Don't forget about
excellent service

Pathfinder Dental
is a big hit for
Direct Benefits

A GREAT OPPORTUNITY TO GROW YOUR BUSINESS THROUGH DENTAL

In my columns, I typically focus on the advantages of partnering with Delta Dental of Minnesota and how brokers and their clients directly benefit from this relationship. If you sell business with us, you know about our consistency, stability and the overall value we deliver through our networks, our broker and customer service and our administrative expertise.

For this issue, instead of focusing on why brokers and clients should choose Delta Dental of Minnesota, I thought about the broader question: Why should brokers sell dental benefits in the first place?

It comes down to opportunity. With many challenges and uncertainties in the market such as health care reform and the recovery of the economy and jobs, selling dental benefits gives you the opportunity to grow your business.

Here are my top five reasons selling dental can make both dollars and sense:

- 1. Dental plans are popular with employers and employees** – A dental benefits plan is consistently among the most requested employee benefits, right up there with medical plans and retirement plans.
- 2. Marketing a dental plan gives brokers the opportunity to establish a link (or form a deeper link) with their clients** – The more products a broker has with a client, the better chance they have of retaining the business. Even if a broker isn't the agent of record for a client's medical business, they can get their foot in the door by marketing dental. It's extremely popular as a stand-alone benefit – in fact, 97 percent of dental coverage is written separately from medical.

- 3. Dental plans are easier to sell and service than medical** – Dental benefit plans are significantly less complicated than medical plans, and that's especially true after health care reform. There is less time required of the broker to make the sale or resolve client issues because it's a product understood by clients and their employees.

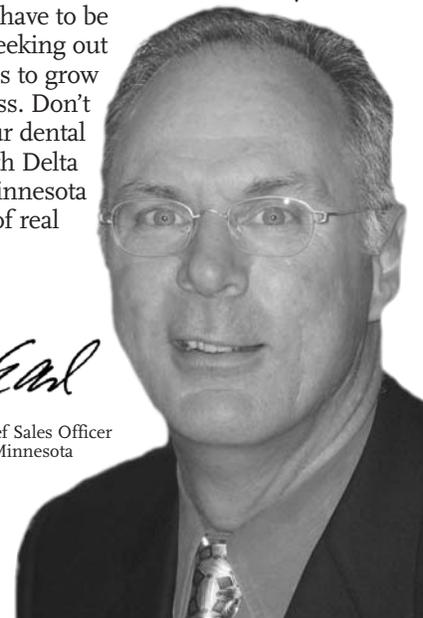
- 4. The price is right** – Dental plans cost a fraction of medical plans. And as Voluntary plans become more popular in the market, many employers are discovering they don't have to pay anything toward employee premiums while still offering a valuable benefit. In the process, employers can reduce their FICA contributions with a pre-tax premium contribution plan.

- 5. Selling dental gives you a new or additional source of income** – Health care reform is already putting pressure on medical commissions. Dental sales can help augment a broker's income.

As the market shifts in fundamental ways, brokers will have to be creative in seeking out opportunities to grow their business. Don't overlook your dental business with Delta Dental of Minnesota as a source of real growth!



Chris Earl – Chief Sales Officer
Delta Dental of Minnesota



DOWNLOAD A COPY OF OUR 2010 ANNUAL REPORT

If you haven't seen our most recent Annual Report, we encourage you to download a copy at www.deltadentalmn.org. Click the "About Us" link on the left side of our home page, then scroll to the bottom and click the "Annual Report" link.

In 2010:

- **Delta Dental of Minnesota increased revenues by approximately 20 percent**, surpassing the \$1 billion mark. Our growth stands in sharp contrast to most commercial dental carriers who reported 5 to 6 percent enrollment losses.
- **We paid out more than \$1 billion in claims** to dentists for the first time.
- We continued to have one of the most comprehensive and effective fraud and abuse programs. **Since 2004 we have recovered about \$5 million through our fraud and abuse programs.** The vast majority of the recoveries are returned to our self-insured customers in both the public programs and commercial segments of our business.
- **We provided funding for more than 55 organizations** working in areas such as improving oral health, general health, education, homelessness and preventing child abuse.

- **Our philanthropy committee invested in 29 organizations** to help prevent and treat dental disease, to empower children and families to become active partners in their health care and to ensure a healthier place for all to live, work and thrive.
- **We distributed nearly 100,000 toothbrushes, toothpaste and dental floss** to Head Start classrooms, schools and community organizations.

Our Annual Report contains information on our core business, but also demonstrates the many ways we're committed to improving oral health throughout Minnesota and investing in our communities.



DELTA DENTAL OF MINNESOTA RECEIVES HIGH MARKS FROM A.M. BEST

In this market, the importance of working with a financially sound and stable partner can't be overstated.

Earlier this year, A.M. Best reaffirmed its "A" rating (Excellent) for Delta Dental of Minnesota for the 12th consecutive year – once again placing us among the highest-rated dental plans in the country. We encourage you to ask your other carriers about their ratings. Some well-known carriers in our market are unable to make this same statement.

Why does this matter? You know you're working with an established leader that's going to be there for you and your groups well into the future.



DON'T FORGET ABOUT EXCELLENT SERVICE

When groups are evaluating their dental benefit options and selecting a carrier, price, plan design and network access typically are the key factors influencing their decision. Encourage your clients not to overlook the importance of service.

Paying claims accurately and on time, answering calls quickly and resolving questions or issues on the first phone call are the basics, but not all carriers execute at the same level your clients might expect.

Delta Dental of Minnesota's 100-percent focus on dental benefits means your clients' plans are never an afterthought and the service they receive is consistently outstanding. Here's a recap of our service results for the past 3 years:



	2010	2009	2008
Percent of claims turned around in 10 business days	99.59%	99.44%	99.35%
Average number of days for claims turnaround	1.19	1.47	1.84
Claim processing accuracy	99.68%	99.76%	99.79%
Claim payment financial accuracy	99.95%	99.94%	99.88%
Questions or issues resolved during first call	97.20%	97.36%	97.37%
Average phone response time	14 seconds	6 seconds	15 seconds
Claims processed	6.5 million	6.2 million	6.0 million

1,000 PATHFINDER DENTAL GROUPS SOLD AND COUNTING

Congratulations to Tom Mayer and the dedicated team at Direct Benefits for reaching an impressive milestone – they sold their 1,000th Pathfinder Dental group earlier in 2011.

The Pathfinder Dental product is marketed exclusively by Direct Benefits; it is administered and underwritten by Delta Dental of Minnesota.

“We appreciate the partnership we have with Delta Dental of Minnesota and working with a proven dental benefits leader,” said Tom Mayer. “In particular, we want to thank the **Delta Dental Connect** team for their outstanding service and support; they make it an incredibly smooth sales process for our agents and groups.”



Pathfinder

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