

DELTA DENTAL OF MINNESOTA
**BROKER
UPDATE**

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DELTA DENTAL OF MINNESOTA CONTINUES TO DEMONSTRATE AND DELIVER THE BEST OVERALL NETWORK VALUE

Size and discounts clearly matter. But the true measure of network value for any group has to include network utilization. It doesn't matter if a carrier has the largest network, most access points or best discounts unless people are actually using the network to take advantage of the discounts.

That's why we have always defined network value not solely by the size of the provider panel, but also by the actual usage of in-network providers. Combining in-network utilization with maximum provider discounts allows groups to better assess the real value of the network.

We introduced this topic in our Summer 2008 broker newsletter. More recently, an independent actuarial firm, Ruark Consulting, studied it. In its national report, Ruark compared 15 carrier networks, including networks from Delta Dental, Aetna, Assurant, United Concordia, Cigna, Ameritas, Guardian, MetLife and others. The goal of the study? Determine which networks deliver the best "effective discounts" – not only network size and discounts, but network utilization.

Ruark ranks Delta Dental of Minnesota's networks first and second in the Greater Twin Cities metro area for their effective discounts.

This shouldn't surprise anyone who knows how incredibly strong in-network utilization is for our groups. Most of our groups have network utilization in the 90 to 95 percent range, with many at almost 100 percent. Obviously it's a function of our network size – Delta Dental Premier is easily the largest network in the state – as well as the geographic breadth of our networks.

Beyond the rankings of this independent study, we've been showing you our effective discounts for years through the detailed claim-savings and cost-management reports we provide. Are your other carriers providing you with these types of reports to demonstrate their true effective discounts and network value?

Don't get caught up in the numbers game that some carriers play in this market. When they claim to have a larger PPO network or deeper discounts, ask them about network utilization. Ask them to back up their numbers with real claim-savings and cost-management reports. Ask how they ranked in Ruark's study of effective discounts – or if they didn't participate, ask why not.

Or simply demand the best value for your clients and give us a call. We're always happy to show you how our networks drive cost savings for your groups.



Chris Earl

Chris Earl – Chief Sales Officer
Delta Dental of Minnesota

WHEN MEMBERS ARE ON THE GO, WE'RE THERE FOR THEM

You know about our network strength. For decades, Delta Dental has featured the largest network in Minnesota and across the country.



Now, we're making it even easier for members to find the closest network dentist when they're traveling. Seeing a network dentist if they have a dental emergency can save members a significant amount of money while protecting them against balance-billing.

Through the launch of our Mobile Dentist Search Site, members have easy access to Delta Dental's national dentist directory via their mobile devices wherever they go.

Here's how it works:

- Navigate to www.deltadental.com/dentistsearch to access the mobile-enabled dentist search tool.
- The site automatically recognizes the mobile device and displays the appropriate version of the site.
- Enter the location, and select the dental plan.
- The Dentist Search tool will generate a list of nearby in-network dentists.

As always, members can access the national dentist search by using the link on the Delta Dental home page (www.deltadental.com).

Encourage your clients and their employees to check out our Mobile Dentist Search Site and bookmark the page on their mobile devices.

www.deltadental.com/dentistsearch

DELTA DENTAL OF MINNESOTA BROKER SURVEY RESULTS

Thanks to all brokers who completed our annual survey, and congratulations to Lauri Hopkins from Hays Companies, who we randomly selected among respondents in the drawing for a Kindle Fire. We're pleased to share with you the results of several key questions posed in the survey:

- **How satisfied are you with your Account Manager overall?**
More than 96% satisfied
- **How satisfied are you with the Delta Dental Connect representatives overall?**
More than 95% satisfied
- **How satisfied are you with the range of products offered by Delta Dental of Minnesota?**
More than 97% satisfied
- **How satisfied are you with Delta Dental's performance on the following: Overall day-to-day dental plan administration?**
More than 97% satisfied
- **How do you rate Delta Dental of Minnesota compared to the best other insurance company you know?**
Nearly nine out of ten brokers said we were "better" or "much better."



ANOTHER YEAR OF RATE INCREASES BELOW INDUSTRY DENTAL TREND ANNOUNCED FOR POOLED PLANS IN 2012

Stability has always been a hallmark of Delta Dental of Minnesota, and our renewal pricing is no exception. Despite a competitive market environment and continued challenges in the economy, our renewal rates for commercial pooled products in 2012 will fall below local industry dental trend, which has been averaging between 5.5 to 8.0 percent.

In fact, there will be no rate increase for our Delta Dental Premier® program and rate increases of 3.5 percent or less for our most popular programs – Millennium Choice and Dental Flex.

Small group renewal rate increases account for inflation in provider reimbursement rates, product enhancements and group loss ratios.

Delta Dental of Minnesota is able to keep rates affordable because:

- We offer the largest network in the state. Network providers agree to rates that are often lower than their usual fees. This results in lower claim costs, which keep premiums affordable.
- We operate very efficiently, with a lower than average percentage of premium dollars going to operating costs.

POOLED PLAN RATE INCREASES	2012	8-YEAR AVERAGE
Delta Dental Premier®	0%	2.13%
Delta Dental PPO SM and Delta Dental Premier – Dual-option Program-Millennium Choice	3.5%	3.44%
Delta Dental PPO Plus Premier – Voluntary Network Program-Dental Flex	2%	3.31%
Voluntary Non-network program-Discover	3%	2.69%
Delta Dental PPO	5%	3.22%

NEWS IN BRIEF

Delta Dental of Minnesota rated “A” (Excellent) by A.M. Best for its financial strength

A.M. Best recently reaffirmed its “A” rating for Delta Dental of Minnesota for the 13th consecutive year – once again placing us among the highest-rated dental plans in the country.



Delta Dental earns Readers’ Choice award from Benefits Selling magazine

For the third consecutive year, and sixth overall, brokers and consultants who read Benefits Selling magazine have rated Delta Dental the best dental carrier.

Enhanced IVR system debuts

With the launch of our enhanced Interactive Voice Response (IVR) system, members will now have the ability to interact in English or Spanish with speech recognition, have automated ordering for ID cards and gain access to additional benefit and claim information for any claim – not just the most recent claim.

HEARING DISCOUNT PROGRAM AVAILABLE TO OUR MEMBERS – AT NO COST

Delta Dental of Minnesota has joined forces with HearPO – an Amplifon company, the world's largest distributor of hearing aids – to offer all Delta Dental of Minnesota members and their extended family a hearing discount program at no administrative or premium cost to groups or members.

Beginning in January 2012, through the hearing discount program, members can take advantage of the following savings and benefits:

- **A 40% discount on hearing diagnostic testing**, including advanced audiology tests.
- **The guaranteed lowest price on hearing aids.** Members receive significant discounts on more than 1,000 models of digital hearing aids from 8 leading manufacturers.
- **A 3-year warranty on most hearing aids**, covering repairs, loss and damage.

- **A 60-day free trial** with no restocking fee.
- **Free batteries** for two years mailed directly to members' homes with a new purchase (maximum of 160 cells per ear – an approximate value of \$150 per hearing aid).
- **1 year free aftercare.**
- **More than 2,600 locations nationwide.**

Accessing benefits in the hearing discount program is as simple as calling the dedicated customer service number that HearPO established exclusively for our members, **1-855-531-4694**, or visiting our dedicated member Web site, www.hearpo.com/deltadentalmn.

Watch your mail at the start of 2012 for a packet that includes additional information. We'll also contact groups and members to let them know about this new program that's available to them at no cost.

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