

# Employer Update

Winter 2005

Dear Group Administrators:

I'm pleased to have recently joined Delta Dental Plan of Minnesota as Chief Sales Officer. I was drawn to the company because of its 35-year history of innovative solutions that has set it apart in a competitive marketplace. In an environment of continual health care premium increases, Delta Dental works to offer our groups the best value for their benefit dollars by providing extensive dentist networks and superior customer service.

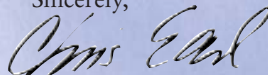
Above all, we want to ensure our customers are satisfied with us. We consistently perform above our stated standards of excellence, which should validate the reason you chose Delta Dental to administer your benefits. In 2004, more than 20,000 claims were processed per day with a 99% claim accuracy rate and a 99% financial accuracy rate. Also, 99% of claims were processed in 10 business days.

My overall goal is to continue to deliver the highest level of service we can provide to customers, which in turn helps you retain your employees. Of course, we're also working to maintain our high level of customer retention (98.6% in 2004) by listening to you and making changes to meet your needs.

We understand that if we provide superior service to employees, it reduces group administrators' administrative burden. Along those lines, we encourage our clients to use our many Web-based resources. In addition to a dentist search and educational information, our Web site has a claims look-up and benefits & eligibility inquiry.

We have solutions for a variety of needs. Whether you're a large, multi-site company or a smaller group, we've built a broad platform to work for you. I look forward to focusing on and resolving all of our customers' needs now and in the future. Thank you for your business.

Sincerely,



Chris Earl  
Chief Sales Officer  
Delta Dental Plan of Minnesota



Chris Earl is a 23-year veteran of the employee benefits business, specializing in broker/consultant relationships, national sales and sales management.

He has broad work experience, having worked with a variety of different products on a local and national basis for small to Fortune 500 companies. His past experience includes extensive work with Prudential and UnitedHealthcare.

Earl is an expert in managed care, network provider relations and sales distribution—regionally and nationally. □

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## Update

### Delta Dental Launches Study Examining Connection Between Oral and Overall Health

Delta Dental Plan of Minnesota is co-sponsoring a study to examine the health impact that periodontal disease may have on Minnesotans with diabetes, cardiovascular disease and who are pregnant. The study is part of Delta Dental's ongoing commitment to research and explore new ways to improve oral health in Minnesota. Results of the study will be made available once the research is concluded. □

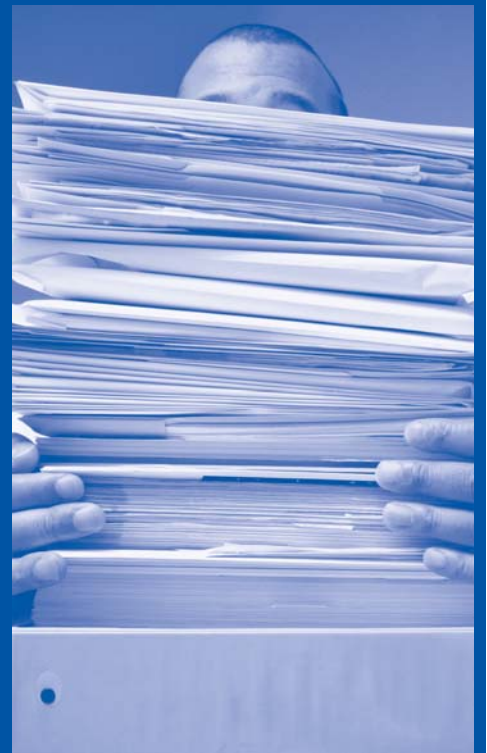
# New Groups Join Delta Dental

We're pleased to welcome many new recent groups to Delta Dental. You'll find that Delta Dental's savings, service and network access can't be beat!

Here's a list of some of our new groups:

Company name	Number of lives insured
Arctic Glacier, Inc.	366
Denny Hecker Automotive	750
Famous Dave's Bar-B-Que	510
JUUT Salon Spa	134
Members Coop Credit Union	103
Micro Dynamics	420
Minnesota Hockey Ventures (Minnesota Wild)	160
Northfield Schools, District #659	420
Precision Group/Sil-Pro, LLC	158
Public Housing Agency of St. Paul	227
Spee Dee Delivery	627

Also, 291 small groups with 2,580 lives recently joined Delta Dental. □



## Branding Changes in 2006



In 2006, you'll start seeing some graphic design changes as we incorporate Delta Dental Plans Association's new national brand guidelines. We will provide more details soon about the changes. These changes will not affect our plan designs, benefits or services. □



## 25+ Years With Delta Dental

In 2004, we announced the start of a recognition program for groups celebrating 25 years or more with Delta Dental. In each issue, we recognize groups celebrating these anniversaries. Recently, **Alcorn Beverages** reached their milestone anniversary with Delta Dental and we'd like to thank them for their dedication to us.

Delta Dental will contact groups with their milestone anniversaries and give those groups a clock in honor of their "time" with us. □



# Modest 3 to 5 Percent Rate Increases Announced for Pooled Groups in 2006

For many employers, health insurance premiums again are slated to rise at double-digit rates in 2006. In contrast, Delta Dental pooled group clients (less than 100 employees) can expect single-digit dental premium increases averaging in the range of 3-5% next year.

These rate increases are in line with previous years and reflect a moderate move to keep pace with inflation in provider reimbursement rates and group loss ratios.

“Retention remains strong and we continue to add new groups to the pool,” said Chris Earl, chief sales officer. “These reasonable increases help ensure stability for the future. By keeping a close eye on inflationary pressures and closely evaluating the utilization and loss experience of our pool business, we can effectively guard against major surprises down the road.”

## Delta Dental is able to keep rates affordable because:

- We offer the two largest networks in the state. Almost 80% of dentists statewide and 96% of Twin Cities metro-area dentists participate in our networks. Our relationship with these network providers leads to lower claim costs.
- We operate very efficiently, with a lower than average percentage of premium dollars going to operating costs. □

2006 Rate Increases – Pooled Plans	
DeltaPremier® Program	4%
DeltaPreferred Option® Program	3%
Millennium Choice	5%
Voluntary Program	
Discover	4.5%
Dental Flex	4%

## DDPMN Again Receives High Marks from A.M. Best and Standard and Poor's

Delta Dental Plan of Minnesota consistently earns high financial ratings and, in fact, is one of the most highly-rated dental plans in the country. Recently, A.M. Best Co., the insurance ratings organization, gave DDPMN an A (Excellent) rating for the seventh consecutive year and Standard and Poor's (S & P) reaffirmed its AA- (Very Strong) rating for the seventh consecutive year as well.

According to A.M. Best, the world's oldest and most authoritative insurance rating and information source, Delta Dental's on-going business diversification strategy, marketshare and favorable risk-based capital were key factors that contributed to its rating. S & P's rating is based on DDPMN's strong competitive position in its core market, operating expertise and strong earnings.

“We're pleased to see that our financial ratings have been re-affirmed,” said Dani Fjelstad, executive vice president of Finance and Business Development, and chief financial officer. “It demonstrates Delta Dental's stability and strength, which provides security to our groups.” □





## Ask Renae

Renae Styve-Krmpotich is manager of Broker and Small Group Support Services at Delta Dental Plan of Minnesota. If you have questions you would like us to address in *EmployerUpdate*, please send them to the editor at [coconnell@deltadentalmn.org](mailto:coconnell@deltadentalmn.org) or Delta Dental Plan of Minnesota, 3560 Delta Dental Drive, Eagan, MN 55122-3166.

**Question:** Even though my contract is not on a calendar year, are my group's deductibles and annual maximums based on a calendar year?

**Answer:** Yes, it's important to understand that even if a pooled small group contract is not on a calendar year, all deductibles and annual maximums are administered on a calendar year from January 1-December 31. (Please note, this applies to all small group pooled plan designs but large, individual plan design benefits might be administered on a contract year outside of January-December.)

If groups have questions, they should never hesitate to call Delta Dental for answers. Mid-size and large companies of 100+ employees can contact their account manager or Employer Services at 651-994-5300 locally or 1-866-318-9449 toll free. Employer Services, a division of our Customer Service department, is dedicated to assisting group administrators and brokers with important issues including enrollment, billing, claims and benefits.

Groups of 5-199 employees should call DeltaConnect, a division of our Broker and Small Group Support Services, at 651-406-5920 locally or 1-800-906-5250 toll free. This team serves as a sales and service resource for brokers and groups administrators of community rated products for small groups.

A number of staff were added to the Broker and Small Group Support Services team in 2005. In addition, the team began offering expanded service hours, from 7 a.m.-7 p.m. Monday-Thursday and from 7 a.m.-5 p.m. on Friday, to better meet our clients' needs.

This experienced group of service representatives is just a phone call away for our clients and provides fast, accurate assistance. The team receives more than 1,000 calls a month on a variety of issues, including product information, renewals, rates, participation questions, contract issues and enrollment. □

*EmployerUpdate* is published for our group clients. Article ideas and questions from readers are welcome. **Publisher:** Delta Dental Plan of Minnesota. **Send questions or comments to:** Cathy O'Connell, Editor, Public Affairs, Delta Dental Plan of Minnesota, 3560 Delta Dental Drive, Eagan, MN 55122, E-mail: [coconnell@deltadentalmn.org](mailto:coconnell@deltadentalmn.org).

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