I’m pleased to share that 2015 was another successful year for Delta Dental of Minnesota.

As I reflect over the year, I’m proud of the achievements we continue to make in connection with our participating providers, members, community partners, brokers and employers. I am also proud of our employees for their dedication and commitment to making our workplace thrive year after year. Our collaborative efforts enable us to improve our competitiveness in the marketplace, create increased value to our customers and improve the health of our community.

Some highlights that made 2015 particularly successful include:

• Increasing our focus of the oral-overall health connection with inclusion of Healthentic, a population health tool that we provide to our group customers to better understand their employee’s oral health habits.

• Introducing our complimentary health engagement tool, Live Lively™ to consumers enrolled in our Individual and Family Dental Plans. Live Lively is an online wellness platform that supports and rewards positive oral and overall health behavior.

• A record number of enrollees in our Individual and Family dental plans, due in part to our comprehensive marketing campaigns, as well as our dedicated consumer sales team whom continue to advance the buying process.

Our success is measured by the number of healthy smiles spread across our state and knowing we are making a difference in the oral and overall health of Minnesotans and our members across the country. We look forward to spreading more healthy smiles in 2016!

Rodney A. Young  
Chief Executive Officer and President,  
Delta Dental of Minnesota
At Delta Dental of Minnesota, we are dedicated to improving health through oral health. We know great oral health is an essential part of a healthy lifestyle and we’re pleased to offer quality, affordable dental benefits that improve oral health, and in turn, overall health for those in our community.

Extending oral health education and care to Minnesotans in underserved communities.

Supporting research that will improve oral health and overall wellness.

Understanding customer behaviors through extensive population health management tools.

Promoting the importance of prevention activities to increase longterm health.

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Board Secretary  
Sr. Vice President, Human Resources  
American Express Financial Advisors, Inc. (Retired)

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Scottsdale, AZ

Susan C. Anderson, D.D.S.  
St. Paul, MN

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President, Bluford Healthcare Institute  
President Emeritus, Truman Medical Center  
Kansas City, MO

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Marine on the St. Croix, MN

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Duluth, MN

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Edina, MN

Ray Waldron  
Minneapolis, MN

Rodney A. Young  
Chief Executive Officer and President  
Delta Dental of Minnesota

Michael Zakula, D.D.S.  
Edina, MN

*In Memorium  
Remembering Bernard L. Brommer  
May 28, 1940 - March 6, 2016

The Delta Dental of Minnesota Board of Directors honors Bernard Brommer for his exemplary service to Delta Dental of Minnesota’s Board. A most accomplished professional and a dedicated and compassionate friend, he helped guide the company through its most pivotal years. We will miss his wisdom, advocacy and humor.
Industry Leading Benefits

- 13 of Minnesota's 17 Fortune 500 Companies
- 6,500 Minnesota-based purchasing groups
- 34,000 Individual and Family plan subscribers
- 650,025 public program enrollees in MN & ND
- 3.8 million members nation wide
- 98% Member Satisfaction
- 97% Group Retention

Delta Dental Difference:

1. Delta Dental PPO℠ network ranks* #1 in overall effective discount in Minnesota.
2. Delta Dental Premier® ranks* #2 in overall effective discount in the state.

- Industry-leading effective discounts
- Access to more dentists
- High network utilization rates
- Best balanced-billing protection

Which Equals Better Value Overall

*Per Ruark Consulting, an independent consulting firm that annually measures and analyzes 21 of the nation's leading competitive dental networks.
4-out-of-5 Dentists

More directly contracted network dentists than any other carrier

Delta Dental Premier®:
155,670 Participating Dentists
348,082 Office Locations

Delta Dental PPO℠:
104,500 Participating Dentists
270,437 Office locations

Delta Dental networks include approximately 89% of the licensed practicing dentists in Minnesota

Participating Dentists in Minnesota:
Delta Dental Premier®: 2,841
Delta Dental PPO℠: 1,870

Best-in-Class

Total claims processed:
6,805,000

Average claims per day:
26,897

Average claim turnaround:
1.55 days

Total dental claims paid:
$1,132,658,500

Financial accuracy:
99.9%

Broker satisfaction rate:
89.5%

Total calls answered:
1,675,444

Inquiries resolved on first call:
96.6%

Average calls per day:
6,596

Member satisfaction:
98%

Group retention:
97%
We awarded over $9 million to 186 organizations.
In 2015, Delta Dental of Minnesota Foundation and Community Benefits awarded over $9 million to 186 organizations in 110 communities to promote better health through oral health and to increase access to care.

Delta Dental of Minnesota Foundation supports the following community initiatives:

- Safety Net Clinics
- Workforce Development
- Prevention & Education

Delta Dental of Minnesota Community Benefits helped provide:

- 1,000 Mouthguards donated to youth sports teams
- 32,000 Toothbrushes distributed to underserved children
- $477,000 Given to underserved populations in Minnesota through grants
- $400,000 In corporate sponsorships and donations to 127 organizations

Increasing Access to Care

Delta Dental of Minnesota Foundation and Community Benefits actively supports 113 organizations in 110 communities to promote better health through oral health.

For a current list of grantees visit: DeltaDentalMN.org
## 2015 in Numbers

### Statements of Operations

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription Revenue, net</td>
<td>$ 1,202,262,395</td>
</tr>
<tr>
<td>Dental Administrative Revenue</td>
<td>$ 99,893</td>
</tr>
<tr>
<td>Investments and Other Income</td>
<td>$ 1,306,171</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$ 1,203,668,459</strong></td>
</tr>
<tr>
<td>Dental Service Claims</td>
<td>$ 1,111,329,779</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$ 106,097,000</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$ 1,217,426,779</strong></td>
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<tr>
<td>Revenue over Expenses</td>
<td>$ 13,758,320</td>
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<tr>
<td>Other Changes in Revenue</td>
<td>$ 1,879,909</td>
</tr>
<tr>
<td>Reserve, Beginning of the Year</td>
<td>$ 222,179,370</td>
</tr>
<tr>
<td>Reserve, End of the Year</td>
<td>$ 196,541,141</td>
</tr>
</tbody>
</table>

### Balance Sheet

<table>
<thead>
<tr>
<th>Asset Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>$ 19,812,507</td>
</tr>
<tr>
<td>Investments</td>
<td>$ 222,904,189</td>
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<tr>
<td>Accounts and Note Receivable</td>
<td>$ 75,398,090</td>
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<tr>
<td>Property and Equipment, net</td>
<td>$ 3,948,923</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 322,063,709</strong></td>
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<tr>
<td>Dental Service Claims</td>
<td>$ 96,920,137</td>
</tr>
<tr>
<td>Payables</td>
<td>$ 11,473,361</td>
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<tr>
<td>Accrued Expenses</td>
<td>$ 1,369,595</td>
</tr>
<tr>
<td>Deferred Revenue &amp; Group Refunds</td>
<td>$ 5,832,947</td>
</tr>
<tr>
<td>Due to Affiliates</td>
<td>$ 9,917,528</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$ 125,513,568</strong></td>
</tr>
<tr>
<td>Fund Balance &amp; Members Equity</td>
<td>$ 195,134,791</td>
</tr>
<tr>
<td>Accumulated Other Comprehensive Income</td>
<td>$ 1,406,350</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>$ 196,541,141</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td><strong>$ 322,054,709</strong></td>
</tr>
</tbody>
</table>