

Better Health Through Oral Health

# Delta Dental of Minnesota 2015 Annual Report



Delta Dental of Minnesota

# 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



### Our Mission

To be the recognized leader in providing access to quality, affordable dental, health benefits and population management to the communities we serve.



### Our Vision

To improve health and oral health, access and strategic initiatives.



# The Delta Dental Difference



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.

## Board of Directors

### **Douglas A. Alger**

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

### **John M. Anderson, D.D.S.**

Scottsdale, AZ

### **Susan C. Anderson, D.D.S.**

St. Paul, MN

### **John W. Bluford,**

M.B.A., F.A.C.H.E.  
President, Bluford Healthcare Institute  
President Emeritus, Truman Medical Center  
Kansas City, MO

### **Bernard L. Brommer\***

President Emeritus Minnesota  
AFL-CIO

### **Paul F. Carlson, D.D.S.**

Fairmont, MN

### **Michael W. Howe, Ph.D.**

Board Chair  
M.W. Howe Consulting, LLC

### **Deb S. Knutson**

Sr. Vice President  
HR Learning & Facilities, Medica

### **Kim M. Mageau**

Board Vice Chair  
Marine on the St. Croix, MN

### **Lois M. Martin**

Board Treasurer  
Chief Financial Officer, Ceridian

### **William C. Mixon**

Edina, MN

### **John D. Somrock**

Chair Emeritus  
Edina, MN

### **James R. Swanstrom, D.D.S.**

Duluth, MN

### **R. Bruce Templeton, D.M.D.**

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

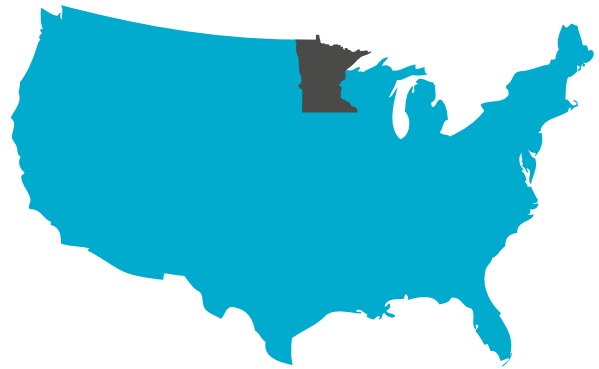


13 of Minnesota's 17  
Fortune 500 Companies

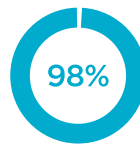
6,500 Minnesota-based  
purchasing groups

34,000 Individual and  
Family plan subscribers

650,025 public program  
enrollees in MN & ND



3.8 million members nation wide



Member Satisfaction



Group Retention

## Delta Dental Difference:



Delta Dental PPO<sup>SM</sup>  
network ranks\* #1 in  
overall effective discount  
in Minnesota.



Delta Dental Premier<sup>®</sup>  
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.

# 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%**



4-out-of-5 Dentists

**More directly contracted network dentists than any other carrier**



### Largest National Networks

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

Delta Dental PPO<sup>SM</sup>:  
104,500 Participating Dentists  
270,437 Office locations



### Largest Minnesota Networks

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<sup>SM</sup>: 1,870

# Commitment to the Community

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](http://DeltaDentalMN.org)

# 2015 in Numbers

## Statements of Operations

Subscription Revenue, net	\$ 1,202,262,395
Dental Administrative Revenue	\$ 99,893
Investments and Other Income	\$ 1,306,171

<b>Total Revenue</b>	<b>\$ 1,203,668,459</b>
----------------------	-------------------------

Dental Service Claims	\$ 1,111,329,779
Operating Expenses	\$ 106,097,000

<b>Total Expenses</b>	<b>\$ 1,217,426,779</b>
-----------------------	-------------------------

Revenue over Expenses	\$ 13,758,320
Other Changes in Revenue	\$ 1,879,909

<b>Reserve, Beginning of the Year</b>	<b>\$ 222,179,370</b>
---------------------------------------	-----------------------

<b>Reserve, End of the Year</b>	<b>\$ 196,541,141</b>
---------------------------------	-----------------------

## Balance Sheet

Cash & Cash Equivalents	\$ 19,812,507
Investments	\$ 222,904,189
Accounts and Note Receivable	\$ 75,398,090
Property and Equipment, net	\$ 3,948,923

<b>Total Assets</b>	<b>\$ 322,063,709</b>
---------------------	-----------------------

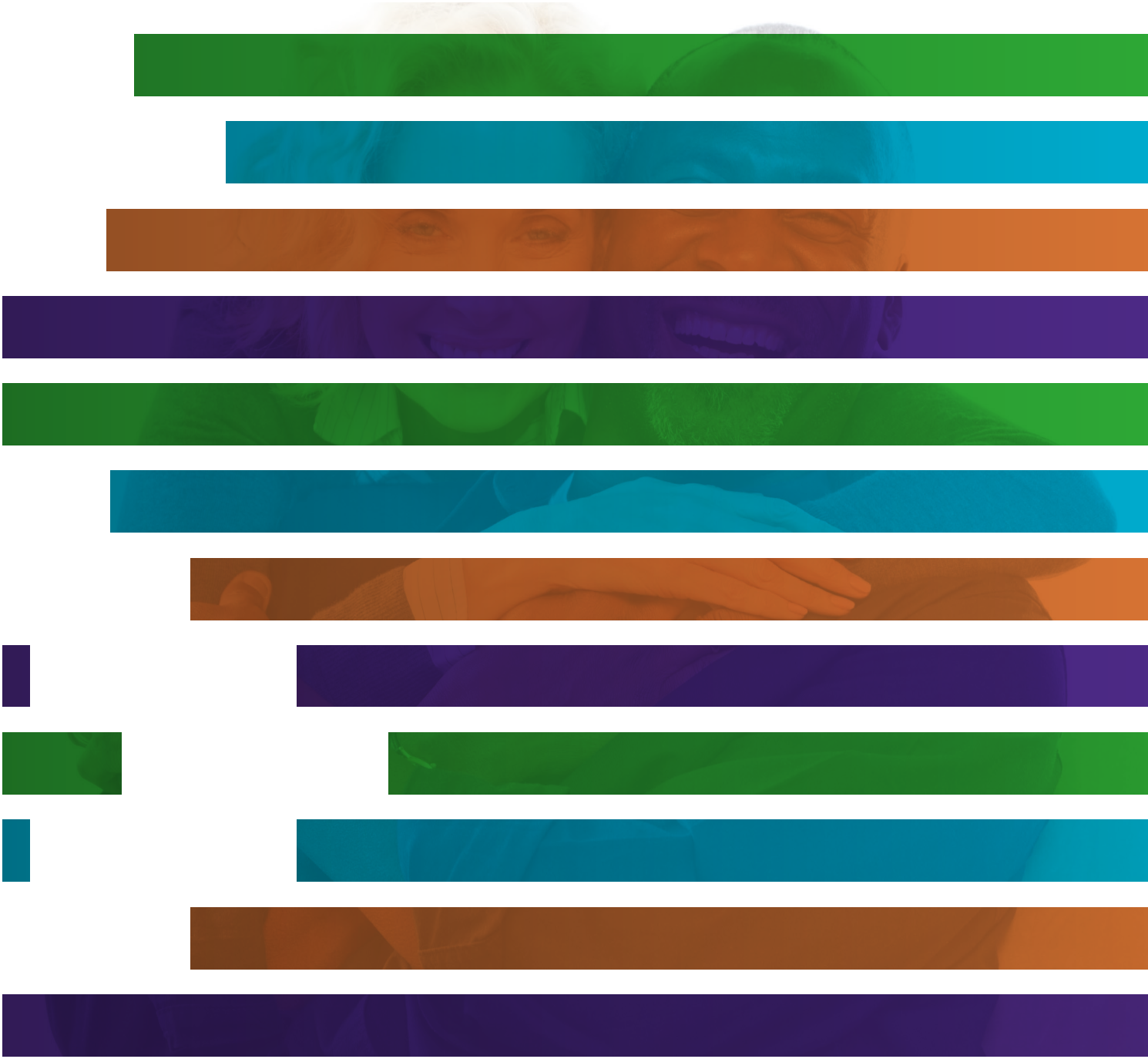
Dental Service Claims	\$ 96,920,137
Payables	\$ 11,473,361
Accrued Expenses	\$ 1,369,595
Deferred Revenue & Group Refunds	\$ 5,832,947
Due to Affiliates	\$ 9,917,528

<b>Total Liabilities</b>	<b>\$ 125,513,568</b>
--------------------------	-----------------------

Fund Balance & Members Equity	\$ 195,134,791
Accumulated Other Comprehensive Income	\$ 1,406,350

<b>Total Equity</b>	<b>\$ 196,541,141</b>
---------------------	-----------------------

<b>Total Liabilities and Equity</b>	<b>\$ 322,054,709</b>
-------------------------------------	-----------------------



[DeltaDentalMN.org](http://DeltaDentalMN.org)

Delta Dental of Minnesota  
500 Washington Ave South,  
Suite #2060  
Minneapolis, MN 55415

DDMN.5.23.16.1



Delta Dental of Minnesota