IMPROVING
ORAL HEALTH
As I reflect on 2013, it was a year of many accomplishments – growth in customers and employees, record-setting small group sales numbers, award-winning customer service, and a renewed focus on our mission. We have always been more than a dental plan, and this past year was no exception. Our entire organization was busy growing our business, building our dentist networks, providing service to our customers, and helping improve oral health in the communities we serve.

Our shared success was evident in this year’s achievements:

• Our Benefit Center was named North America’s No. 1 call center, for companies with 100 agents or less, by Purdue University’s BenchmarkPortal
• The small group sales team achieved a record-setting year, surpassing their goal by 53 percent
• We helped support safety net clinics and sealant programs around the state, resulting in more than 37,500 individuals receiving restorative care and 20,085 children receiving sealants
• We participated in the federal online insurance marketplace, offering individual pediatric dental plans as part of the Affordable Care Act

We are a company driven by our mission: to improve oral health and wellness by extending access to care, advancing science, and supporting an effective oral-health workforce. This drive is furthered by those we are fortunate enough to call our employees.

We have a long history of retaining dedicated, engaged employees who create a sense of history and community. Our turnover percentage at less than five percent is far lower than industry averages, creating an environment of experienced professionals.

The expansive knowledge of our employees, and the outstanding service they provide, make Delta Dental of Wisconsin what we are – a company with a mission to make the lives and smiles of Wisconsin a little brighter.

Dennis Brown
President and CEO, Delta Dental of Wisconsin
BOARD OF DIRECTORS

BACK ROW: Eugene Randolph, Vincent Lyles, Christopher Queram, Dr. Timothy Kinzel, David Bretting
FRONT ROW: Dr. Monica Hebl, Dennis Brown, Charles Nason, Karen Ordinans

BOARD CHAIR
Charles Nason
Retired CEO
Worzalla Publishing
Stevens Point, WI

BOARD MEMBERS
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President & CEO
Bretting Manufacturing
Ashland, WI

Karen Ordinans
Executive Director
Children’s Health Alliance of Wisconsin
Milwaukee, WI

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Delta Dental of Wisconsin
Stevens Point, WI

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Burleigh Dental
Milwaukee, WI

Christopher Queram
President & CEO
Wisconsin Collaborative for Healthcare Quality
Stoughton, WI

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Middleton, WI

Vincent Lyles
President & CEO
Boys & Girls Clubs of Greater Milwaukee
Milwaukee, WI

Karen Ordinans
Executive Director
Children’s Health Alliance of Wisconsin
Milwaukee, WI

Eugene “Pepi” Randolph
Senior Vice President – Business Development
Plunkett Raysich
Glendale, WI
Helping improve oral health and wellness is at the heart of our business. We’ve tried to make dental benefits easy – through exceptional service, quick and accurate claims payments, providing the most in-network dentists, and making coverage affordable for companies and their employees.

We strive to be different because we believe what makes us different is what makes us better.

**Different is ...**

- An insurance company with national reach, focused on helping Wisconsin businesses and individuals.
- Delta Dental representatives answering phones and getting customers the information they need quickly – typically on the first call.
- Supporting research that has the potential to dramatically improve oral health and wellness.
- Extending access to oral healthcare to underserved communities throughout Wisconsin.

**Better is ...**

- Being rated number one in the state by insurance agents year after year for our great service, prompt claim payments, competitive pricing, and ease of doing business.
- Award-winning service provided by people with an average of nearly 10 years of experience at Delta Dental.
- More places to save money on dental procedures courtesy of the largest dentist networks.

For individuals, families, small employers or large, there is a Delta Dental Difference for everyone.

64% of Wisconsin school districts\(^*\) trust us with their dental benefits

\(^*\)with more than 100 employees
At Delta Dental of Wisconsin, we are passionate about oral health and its impact on future generations. For more than 50 years, we have made it part of our mission to maintain healthy communities and improve oral health.

Through our Charitable Fund, we partner with philanthropic programs throughout the state that improve access to dental care and raise awareness of the importance of oral health.

**Why is this mission so critical?**

- Tooth decay affects more than 49 percent of all Wisconsin third grade children
- More than 71 percent of Wisconsin children enrolled in Medicaid did not see a dentist in 2011 – ranking the state the second-lowest in the nation.

**Wisconsin’s Seal-A-Smile**

Delta Dental of Wisconsin’s Charitable Fund provided two additional grants in 2013 to the state’s highly effective and successful Seal-A-Smile program. The program, which is collaboratively administered by Wisconsin Department of Health Services (DHS) and Children’s Health Alliance, helps prevent tooth decay and promote good oral health by providing children with school-based oral exams and, when needed, fluoride varnish and sealants at no cost to parents or caregivers.

We provided an additional $100,000 grant to the state, along with our annual support, to help expand the program into more schools.

“This boost in funding from Delta Dental of Wisconsin will provide sealants to more children who may not otherwise have access to sealant treatment, which can help prevent painful cavities and decay,” stated Karen Ordinans, chair of Delta Dental of Wisconsin’s Charitable Fund.

Marshfield Clinic also received a grant from Delta Dental to redesign the data collection program currently used by the 41 organizations across the state participating in Seal-A-Smile. The new model...
will improve accuracy, reduce data entry expenses for health departments and other organizations that provide screenings, and deliver detailed information about oral health conditions among Wisconsin’s youth.

For the past five years, we have provided more than $1.3 million in grants to Seal-A-Smile.

“These funds provide critical oral health education annually to 48,000 students and place sealants on more than 20,000 children each year,” stated Ann Boson, Delta Dental of Wisconsin’s Charitable Fund director. “Seal-A-Smile has been tremendously successful at improving the oral health of the state’s most vulnerable children.”

**Wisconsin**

received an A “grade” from Pew Charitable Trusts for our sealant program – one of only five states in the nation to earn this rating.

**Percent of High Risk Schools with a Dental Sealant Program**

- No high risk schools served
- 0.1 – 24.9
- 25.0 – 49.9
- 50.0 – 74.9
- 75.0 – 100.0
- No high risk schools

**Special Smiles**

Delta Dental of Wisconsin is the sponsor of the Special Olympics Special Smiles® program that provides oral health screenings, education, fluoride varnish, dental care items, and a fitted mouth guard to athletes at the four major Special Olympic (SO) events around Wisconsin.

Many SO athletes have serious oral health concerns. Recent screenings show 38 percent have untreated tooth decay and 14 percent have urgent dental needs. Athletes identified as needing further dental care receive assistance from SO staff to help find a local dentist or receive care at Mission of Mercy.

In 2013, more than 500 Special Olympic athletes participated in the Special Smiles program.
A BETTER DENTIST NETWORK

Not all dentist networks are created equal. Some are bigger than others. And some cover all parts of the country, in small towns and big cities, at private practices and group dental practices. Most importantly, the best networks have your dentist. They’re the networks of Delta Dental.

Delta Dental of Wisconsin doesn’t have just one network – we have two networks to choose dentists from. More than 90 percent of Wisconsin dentists and more than three-fourths of dentists nationwide are members of the Delta Dental Premier network, making it the largest dentist network in Wisconsin and nationwide. The Delta Dental PPO network is more exclusive and offers greater cost savings.

By leveraging the Delta Dental Premier and PPO networks, we can offer customers more choices, better accessibility, and lower prices for their dental benefits.

Our large networks mean:
- Members enjoy the greatest cost savings and have the widest selection of dentists
- Employers are assured that dental coverage is affordable and convenient for employees
- Agents can provide cost-effective products for their clients

“We take great pride in our dentist networks and continuously audit the accuracy of our directories. Reliable information is one more way to show we care about our customers.”
– Terry Higgins, Director, Professional Services

DELTA DENTAL DENTISTS IN WISCONSIN*

*Defined by access points. An access point is measured by multiplying the number of unique dentists by the locations in which they practice.
At Delta Dental of Wisconsin, we pride ourselves on our experienced staff’s ability to deliver prompt, accurate, and local service. We hold ourselves to exceptional service standards which are illustrated by the fact our Benefit Center is a multiple-time recipient of Purdue University’s BenchmarkPortal Center of Excellence Certification.

Even more notable, in 2013, we were named Benchmark Portal’s No. 1 call center (fewer than 100 agents) in North America! Our benefit center beat out more than 500 centers in the United States and Canada to win the honor – a first in our company history.

“This award is well-deserved for our Benefit Advisors,” said Pam Gartmann, vice president, administration, “They earned this recognition through their hard work, dedication, and willingness to provide service to our customers each day with enthusiasm and professionalism.”

Our performance in key service areas often averages:

**Claims Processing**
- Average Claim Turnaround: 2.91 days
- Average Claims Per Day: 11,372
- Total Number of Claims Processed: 2,834,414

**Client Service**
- Calls Answered: 546,103
- Average Phone Response Time: 24 seconds
- Average Number of Calls Per Day: 2,176
- Inquiries Resolved on First Call: 98.59%
- Abandoned Call Rates: 3.47%

**Financial Accuracy**
- Financial Accuracy Rate: 99.9%
- Total Dental Claim Dollars Paid: $466,840,375.43

When all is said and done, our service is our product.
### Transforming Dollars into Better Dental Health

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Subscribers</td>
<td>682,082</td>
<td>701,527</td>
<td>▲ 2.9%</td>
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<tr>
<td>Payment to Subscribers (Claims Incurred)</td>
<td>$437,179,203</td>
<td>$457,618,931</td>
<td>▲ 4.7%</td>
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<tr>
<td>Revenues (Earned Premium + Administrative Income)</td>
<td>$479,973,120</td>
<td>$504,030,405</td>
<td>▲ 5.0%</td>
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<tr>
<td>General Reserves (Plan Equity)</td>
<td>$139,407,183</td>
<td>$155,335,634</td>
<td>▲ 11.4%</td>
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</table>

Data presented represents dental group business (excluding Tricare)

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**Total Claims Paid**

**Total Subscribers**
Delta Dental is a registered mark of Delta Dental Plans Association. Delta Dental of Wisconsin is an independent not-for-profit dental services company and is an authorized licensee of Delta Dental Plans Association of Oak Brook, Illinois. Data presented represents sum of Delta Dental of Wisconsin business.

## Consolidated Result of Operations

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td>Premium and Administrative Income (After Reinsurance)</td>
<td>$498,392,419</td>
<td>$528,325,862</td>
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<tr>
<td>Claims Incurred (After Reinsurance)</td>
<td>$446,075,916</td>
<td>$467,782,381</td>
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<tr>
<td>Investments and Other Income</td>
<td>$379,528</td>
<td>$7,332,916</td>
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<tr>
<td>Public Benefit Funding</td>
<td>$2,667,325</td>
<td>$2,642,585</td>
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## Consolidated Balance Sheet

### Assets

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td>Cash, Cash Equivalents, and Invested Assets</td>
<td>$146,990,217</td>
<td>$168,375,602</td>
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<tr>
<td>Other Assets</td>
<td>$21,207,389</td>
<td>$18,422,415</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$168,197,606</strong></td>
<td><strong>$186,798,017</strong></td>
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</table>

### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
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</thead>
<tbody>
<tr>
<td>Claims and Claim-Adjustment Expenses Unpaid</td>
<td>$8,267,862</td>
<td>$9,741,262</td>
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<tr>
<td>Other Liabilities</td>
<td>$20,522,561</td>
<td>$21,721,121</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$28,790,423</strong></td>
<td><strong>$31,462,383</strong></td>
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### Plan Equity

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<tbody>
<tr>
<td>Total Liabilities</td>
<td>$28,790,423</td>
<td>$31,462,383</td>
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<tr>
<td>Total Plan Equity</td>
<td>$139,407,183</td>
<td>$155,335,634</td>
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<tr>
<td><strong>Total Liability and Plan Equity</strong></td>
<td><strong>$168,197,606</strong></td>
<td><strong>$186,798,017</strong></td>
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Delta Dental of Wisconsin
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