

June 1, 2017

Dewayne Douglas  
CITY OF JONESBORO  
300 S Church St  
Suite 100  
Jonesboro, AR 72401-2911

Re: Dental Plan Rate Review, Group #9448-00010000, 0001C001, 0002A001, 0002C001, 0003A001, 0003C001

Dear Dewayne Douglas,

Thank you for placing your confidence in Delta Dental. We are committed to improving the oral health of our communities by providing access to the nation's largest dental network at competitive rates. This allows your enrollees to obtain the dental care they need to remain healthy.

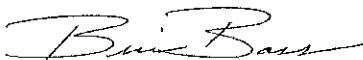
We have completed a comprehensive review of your dental plan premiums. Enclosed are the rates and renewal documents related to your contract renewal. Payment of the new rates will be your consent to renew Delta Dental coverage. No action is required from you at this time unless you wish to change the benefits you offer.

If your coverage or budget goals have changed, please contact Mr. Jim Keith Agan or me for more plan design options. We can administer many different plan designs to suit your needs and provide you with a comprehensive analysis of how any changes would affect your rates. Benefit changes can be effective at your renewal, but you must request them no later than 15 days prior to your plan's renewal date.

This is a prepaid dental benefits program, so your group's first payment at these rates is due by January 1. If you do not wish to renew coverage, please provide notice to us in accordance with your Contract. Notwithstanding the above terms of this "evergreen" contract, all delinquent balances due to Delta Dental must be paid in full prior to acceptance on the above-mentioned renewal date. If there is a deficit at the time of your acceptance, Delta Dental reserves the right to revoke this offer and terminate your existing contract upon its natural expiration date.

Also, enclosed please find Delta Dental's Gramm-Leach-Bliley Act notice regarding our privacy practices. This is being provided to you as described in Article 8 of your contract. Please be sure your employees are provided access to this policy which is also available at our website [www.deltadental.com](http://www.deltadental.com). Please call me at (501) 992-1760 if you have any questions or if I can be of help in any way. Thank you, we look forward to continuing our relationship with you and we greatly appreciate your business.

Sincerely,



Brian Bass  
Account Manager

cc: Mr. Jim Keith Agan

DELTA DENTAL OF ARKANSAS  
1513 Country Club Road  
Sherwood, AR 72120



**Delta Dental of Arkansas**  
**Renewal Rates for CITY OF JONESBORO #9448**  
*Effective January 1, 2018*

<b>Rates</b>		
<b>Rates per subscriber per month</b>	<b>Current Rate(s)</b> January 1, 2017 through December 31, 2017	<b>Renewal Rate(s)</b> January 1, 2018 through December 31, 2018
Subscriber only	\$26.92	\$25.36
Subscriber with one or more dependents	\$85.72	\$80.74
Overall Percent Change	5.08%	

<b>Rating Requirements</b>
Minimum client contributions: 0 percent for employee and 0 percent for dependent(s).
Tied to medical: No

<b>Rating Assumptions</b>
Rates do not include any applicable claims taxes. The rates are valid only for the effective date noted above and are guaranteed for a one year contract.
These rates assume that claims from nonparticipating dentists will be paid using our participating dentist fee tables.
Self-billing is not allowed and you agree to pay as invoiced each month.
Subscriber materials which are produced by Delta Dental will be updated and provided when plan changes apply and are always available to view or print at <a href="http://www.deltadental.com">www.deltadental.com</a> .
Printed dentist directories are not included. You can find participating dentists on our website at <a href="http://www.deltadental.com">www.deltadental.com</a> .



## Explanation of Rate Development

**Group Name:** CITY OF JONESBORO  
**Group Number:** 9448-00010000,0001C001,0002A001,0002C001,0003A001,0003C001  
**Program Type:** Delta Dental PPO plus Premier  
**Renewal Period:** January 1, 2018 through December 31, 2018  
**Experience Period:** May 1, 2016 through April 30, 2017  
**Funding Type:** Non-Retention

Current Rate and Enrollment Data	Non-Retention	Current	Exposure
Single	\$26.92	265	3,240
Family	\$85.72	<u>312</u>	<u>3,635</u>
Totals		577	6,875

### Incurred Claim Analysis

Earned Premium at Current Rates	\$398,813.00
Paid Claims	\$329,416.21
Change in Reserve	\$10,427.00
Incurred Claims	\$339,843.21
Incurred Loss Ratio at Current Rates	85.21%

### Rate Development

Composite Premium based on Exposure and Current Rates	\$58.01
Average Incurred Claims per Subscriber per Month	\$49.43
Trend Factor (20.0 Months @ 4.00%)	1.0676
Projected Incurred Claims per Subscriber per Month (experience)	\$52.77
Composite Experience Rate	\$62.64
Projected Overall Change (\$62.64/\$58.01)	7.98%
Actual Change	-5.08%

12 Month Rate	Renewal Rates
Single	\$25.36
Family	\$80.74

**Delta Dental of Arkansas**  
Dental Benefit Highlights for  
**CITY OF JONESBORO #9448**



Delta Dental PPO plus Premier

Coverage effective January 1, 2018

	Delta Dental PPO Dentist	Delta Dental Premier Dentist	Non- participating Dentist
	Plan Pays	Plan Pays	Plan Pays*
<b>Diagnostic &amp; Preventive</b>			
Diagnostic and Preventive Services - exams, cleanings, and fluoride	100%	100%	90%
Sealants - to prevent decay of permanent teeth	100%	100%	90%
Radiographs - X-rays	100%	100%	90%
<b>Basic Services</b>			
Space Maintainers - appliances to prevent tooth movement	80%	80%	72%
Emergency Palliative Treatment - to temporarily relieve pain	80%	80%	72%
Brush Biopsy - to detect oral cancer	80%	80%	72%
Minor Restorative Services - fillings	80%	80%	72%
Endodontic Services - root canals	80%	80%	72%
Non-Surgical Periodontic Services - non-surgical services to treat gum disease	80%	80%	72%
Oral Surgery Services - extractions and dental surgery	80%	80%	72%
Other Basic Services - misc. services	80%	80%	72%
<b>Major Services</b>			
Crown Repair - to individual crowns	50%	50%	45%
Surgical Periodontic Services - surgical services to treat gum disease	50%	50%	45%
Major Restorative Services - crowns	50%	50%	45%
Relines and Repairs - to bridges, implants, and dentures	50%	50%	45%
Prosthodontic Services - bridges, implants, and dentures	50%	50%	45%
<b>Orthodontic Services</b>			
Orthodontic Services - braces	50%	50%	45%
Orthodontic Age Limit -	No Age Limit	No Age Limit	No Age Limit

\* Delta Dental pays a fixed fee to all Nonparticipating Dentists. This column indicates the percentage of this fixed fee that Delta Dental will cover. If the Nonparticipating Dentist charges more than the Delta Dental fixed fee, the individual will be responsible for the difference.

**Maximum Payment** – \$1,000 per person total per Benefit Year. On all services, except cephalometric films, diagnostic casts, photos, and orthodontic services. \$1,000 per person total per lifetime. On cephalometric films, diagnostic casts, photos, and orthodontic services.

**Maximum Carryover** – If at least one Covered Service is applied toward your Maximum Payment in a Benefit Year and the total Benefit paid does not exceed \$499.00 in that Benefit Year, up to \$250.00 will carry over to the next Benefit Year's Maximum Payment. This carryover amount will accumulate from one Benefit Year to the next, but will not exceed \$1,000.00.

**Deductible** – \$50 Deductible per person total per Benefit Year limited to a maximum Deductible of \$150 per family per Benefit Year. All services, except oral exams, prophylaxes (cleanings), fluoride, sealants, X-rays, full mouth debridement, scaling in presence of inflammation and orthodontic services.

Note - This document is only intended to provide a brief description of your benefits. Please refer to your Certificate and summary for a complete description of benefits, exclusions, and limitations.

>Welcome to Arkansas's largest dental benefits family!

As a member of Delta Dental of Arkansas, you have access to the nation's largest dental networks: Delta Dental PPO and Delta Dental Premier.

- It's easy to find a dentist! Four out of five dentists nationwide participate in our network.
- You have superior access to care and fee savings because of our agreements with participating dentists.
- Our dentists cannot balance bill you, which means more money in your pocket!
- No troublesome paperwork! Network dentists will fill out and file your claims.
- Pay only your copayments and/or deductibles when you receive care from network dentists -- there are no hidden fees.
- You can still visit nonparticipating dentists, but you may be billed the full amount at the time of service and then have to wait to be reimbursed.

**Quality Dental Program**

We processed over 2.4 million claims with an average turnaround time of one day and 99% accuracy in 2014 - just another reason why more than 98% of our customers renew their dental benefits with Delta Dental of Arkansas. Delta Dental is committed to providing superior customer service. Receiving over 730,000 calls annually, our Customer Service department has an average answer rate of 12 seconds, and 99% of customer calls are resolved on first contact.

**Online Access**

Our online Consumer Toolkit lets you access your dental plan securely over the Internet. You can find a dentist, check benefits, select paperless notices, review claims and amounts used toward maximums, print ID cards, and more -- all at your own convenience.

**A Healthy Smile**

Keep your smile healthy with dental benefits from Delta Dental. Your smile is a good indicator of your health. Did you know that your dentist can detect up to 120 different diseases, including diabetes and heart disease? Early detection is one of the best ways to prevent further complications.

**Questions?**

If you have questions, please call our Customer Service team at 800-462-5410 or look online at [www.deltadental.com](http://www.deltadental.com).