

Benefit dollars stretch further with dental benefits. Dental benefits cost a fraction of medical benefits and can help control medical costs. They contribute to overall employee health, increasing productivity and reducing absenteeism. Dental benefits also help companies attract and retain top talent.

There's no question that dental benefits are a good value—and Delta Dental of New Jersey delivers even more. One way we do this is through our ongoing cost containment efforts. **In 2009, our cost containment programs saved clients more than \$269 million!**

We measure value in other ways, too. Our extensive dental networks make it easy for members to find a participating dentist near them. That means fewer out-of-pocket expenses for them and more satisfied employees for companies!

Our flexible benefit options enable employers to provide for the specific needs of their employee population. The Oral Health Enhancement Option offers extra dental cleanings and periodontal maintenance to members who have been previously treated for periodontal disease. The optional Carryover MaxSM feature lets

members bank a portion of their unused standard annual maximum benefits each year for use in future years.

Our value also extends to educating members to become empowered and active participants in their oral health. Dentists and hygienists are the most important source of oral health information, but between dental visits, members can turn to our monthly e-mail newsletter *Member News* and the new Oral Health and Wellness portal on our Web site for knowledge and guidance on their oral health.

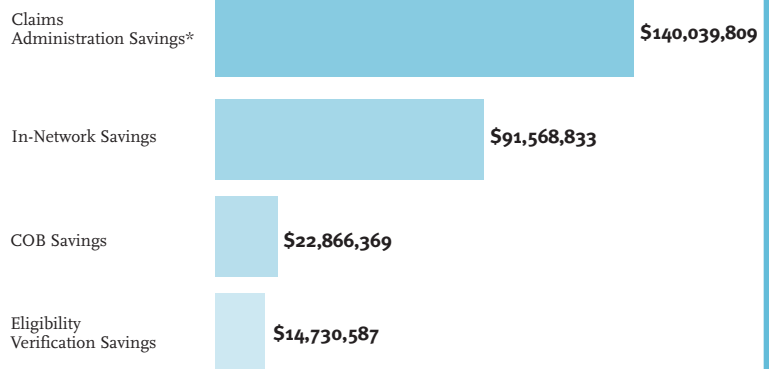
Ninety-five percent of our members are satisfied with Delta Dental of New Jersey overall, and 98% of benefits managers say they would recommend Delta Dental to other benefits managers. From our dental networks to our benefit programs, education, and cost containment, our members and benefits managers appreciate the value that Delta Dental brings to their lives.

See the *Distribution of Savings* chart below for a look at our 2009 cost savings. To find out how we can contain benefit expenses for you, please call your Delta Dental account executive at (800) 624-2633.



"Everyone deserves good oral health." This is more than a tagline; it's a conviction that drives what we do every single day. The Delta Dental of New Jersey Foundation contributes almost \$1 million each year to fund programs that bring dental care to more people in New Jersey and Connecticut. Our Foundation grants fund clinics for the underserved, scholarships for the next generation of dental professionals, and educational programs for schoolchildren.

Distribution of Savings



Total savings (\$269 million) as a percentage of total amount of claims paid (more than \$521 million) approximately 51.7%.

*Claims Administration Savings include the total savings related to Contractual Limitations, Non-Covered Services, Dental Consultant Review, Optional Services, and Non-Billable Services.

Explanation of Terms

- Delta Dental**—All claims processed by Delta Dental of New Jersey, Inc. This includes savings for claims it processes relating to contracts that Delta Dental Insurance Company has issued in the State of Connecticut. Claims processed for coverage written by Flagship Dental Plans, Inc., Delta Dental's affiliate, are excluded from this report.
- In-Network Savings**—The amount saved by using network dentists. It's the difference between participating dentists' billed charges and Delta Dental's maximum allowable charges.
- Eligibility Verification Savings**—The amount saved by claim denials for a period of patient ineligibility.
- COB Savings**—The amount saved by applying a group's coordination of benefit (COB) provisions. It includes enforcing order of benefit determination rules.
- Claims Administration Savings**—Includes the total savings related to Contractual Limitations, Non-Covered Services, Dental Consultant Review, Optional Services, and Non-Billable Services. During the course of Claims Administration activities, a denied service may fall into more than one category. In this situation, Delta Dental has assigned the savings to one category.
 - Contractual Limitations**—The amount saved by applying limitations specified in a client's contract or as part of generally accepted dental practice. Savings may also result from payment reductions to the levels upon which payments for non-participating dentists are based or a client's table of allowance (if present).
 - Non-Covered Services**—The amount saved by claim denials for services not covered under the client's program.
 - Dentist Consultant Review**—The amount saved by not covering procedures that are not supported by diagnostic records or that fail to fall within accepted dental care standards based on review by our dental consultants. Also in this category are savings from alternative procedures that are within generally accepted standards of care.
 - Optional Services**—The amount saved by not covering dental procedures that Delta Dental considers optional and may be performed at the expense of the patient.
 - Non-Billable Services**—The amount saved by Delta Dental not paying for services that participating dentists have agreed not to charge to Delta Dental, the client, or the patient. This also includes services denied as duplicate submissions.
- Total Savings**—This is the total amount saved by clients in 2009, excluding amounts not paid due to deductibles, co-payments, and plan maximums. (Savings may include amounts that, if allowed, would have exceeded plan maximums.)