

Report Card

DeltaCare® USA 2006



SALES OFFICES

100 First Street
 San Francisco, CA 94105
 415-972-8300
 E-mail:
 NCAsales@delta.org

11155 International Drive
 Rancho Cordova, CA 95670
 916-861-2409

5277 North First Street
 Fresno, CA 93710
 559-221-2282

12898 Towne Center Drive
 Cerritos, CA 90703
 562-403-4040
 E-mail:
 SCAsales@delta.org

1450 Frazee Road
 Suite 200
 San Diego, CA 92108
 619-683-2549

Visit the Delta Dental web site: www.WeKeepYouSmiling.com

Effective January 1, 2007, PMI Dental Health Plan merged with its parent company, Delta Dental of California.

The merger — approved by the California Department of Managed Health Care — offers streamlined administration and the elimination of duplicate processes.

PMI Dental Health Plan, based in California, has operated under a separate health care service plan license since its acquisition by Delta Dental in 1985. PMI's role as national administrator of DeltaCare® USA shifts to its affiliate, Delta Dental Insurance Company, in all states except California, where Delta Dental of California administers the program.

Plan benefits for 1.2 million DeltaCare USA enrollees will remain unchanged as a result of the merger, as will all related group and dentist contract and processing policies.

Each year, we survey thousands of randomly selected enrollees to determine how well we're meeting their needs. In 2006, we met or exceeded all of our goals related to enrollee satisfaction as well as customer service.

We welcome your response to this report card. Please feel free to contact your account manager with any questions or comments.

DENTIST ACCESS

For the second consecutive year, DeltaCare USA experienced significant network growth in California. In 2006, network numbers increased nearly 15%, bringing dental office locations to 3,248 statewide.

	Goal	Results
Enrollees within 10 miles of 2 DeltaCare USA dental offices.....	90%	97%
Dental offices accepting new DeltaCare USA patients.....	80%	92%
Dental offices meeting accessibility standards ¹		
New and follow-up appointments – 4 weeks or less.....	90%	98%
Hygiene appointments – 6 weeks or less.....	90%	99%
Annual dentist retention rate.....	92%	97%

QUALITY OF CARE

To ensure patients receive the highest level of care and service, dentist offices must pass a facility review and meet standards related to appointment availability, access and quality of care.

	Goal	Results
Dentist credentials verified.....	85%	100%
Enrollees satisfied with courtesy/professionalism of dental office staff ²	85%	91%
Enrollee satisfaction with dental care received ²	85%	88%
Appearance/cleanliness of the dental office.....	85%	96%

CUSTOMER SERVICE

As part of our goal to provide exceptional service and easy-to-use administration, we measure how quickly we respond to customers. Our 2006 goal was more aggressive than in the past, lowering our call abandonment rate by 3% and increasing by 5% our percentage for calls answered within 30 seconds.

	Goal	Results
Call abandonment rate.....	less than 2%	0.7%
Calls answered within 30 seconds.....	90%	92%
Grievances resolved within 30 calendar days from receipt of grievance.....	85%	99.9%
Written acknowledgement within 3 business days of receipt of required information.....	95%	95%

SPECIALTY CARE³

By measuring processing time for preauthorizations and specialty care claims, we ensure treatment is provided in a timely manner.

	Goal	Results
Preauthorizations processed within 5 business days.....	100%	99%
Specialty care claims processed within 15 business days.....	95%	99%

ENROLLEE SATISFACTION

One of our goals regarding enrollee satisfaction is to increase nationwide access. In 2006, we continued our initiative to expand DeltaCare USA nationally and, as of March 2007, received regulatory approval in 33 states.

	Goal	Results
Overall satisfaction with the DeltaCare USA program ²	85%	90%

UTILIZATION

Utilization statistics reflect that a significant number of enrollees are receiving preventive dental care, which is the best way to save overall costs associated with a dental health plan.

	Goal	Results
Diagnostic/preventive procedures compared to all procedures.....	55-75%	69%
Restorative procedures compared to all procedures.....	12-20%	13%

¹ Accessibility standard requires dental offices to provide routine/initial appointments within four weeks and hygiene visits within six weeks. Some offices may be temporarily closed to new enrollment in order to maintain this accessibility standard.

² Based on nearly 20,000 random and ad hoc surveys sent to California enrollees in 2006.

³ Specialty care consists of endodontics, oral surgery, orthodontics, pedodontics and periodontics.