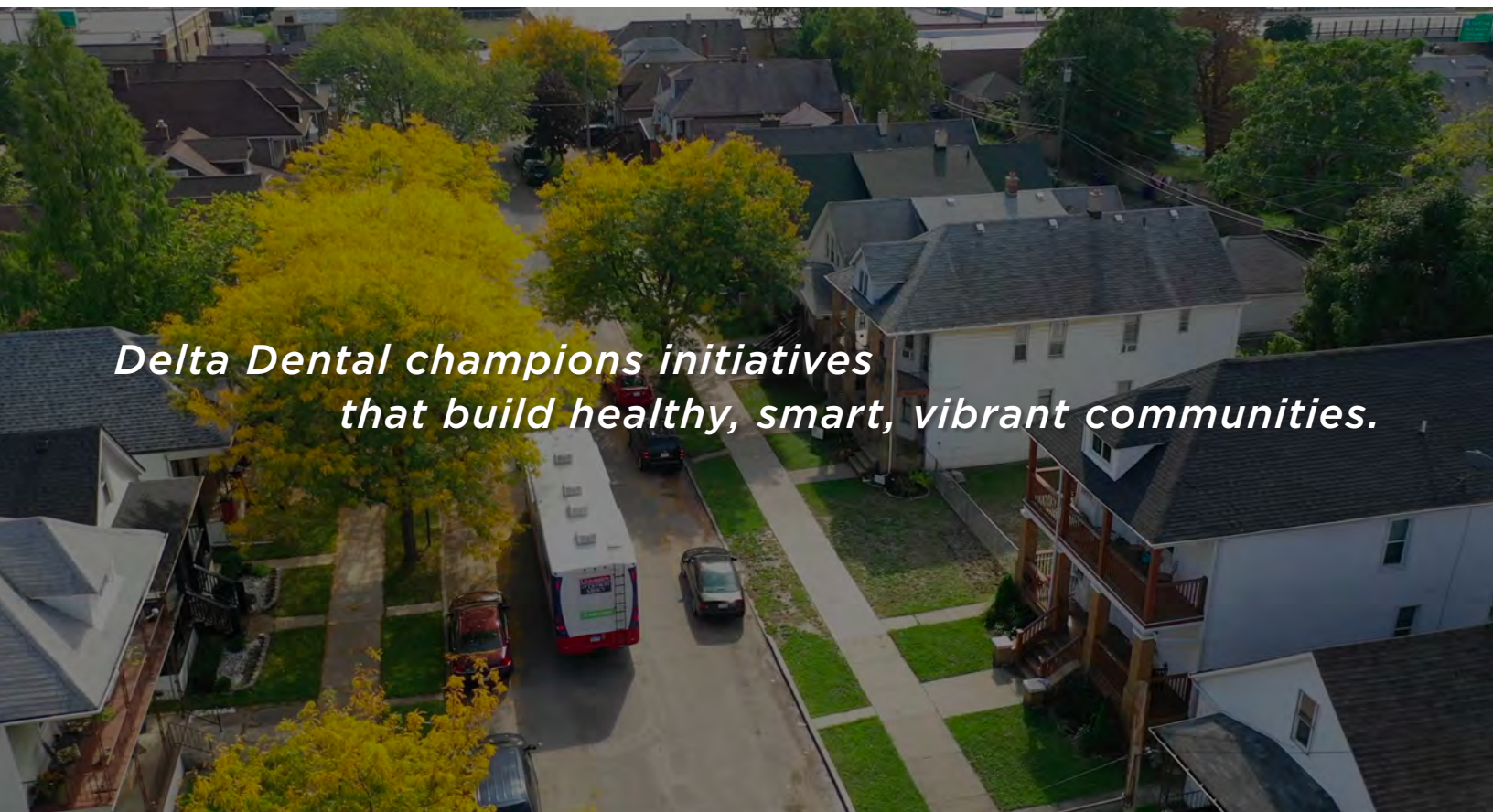


# 2018 Annual Report

An aerial photograph of a suburban neighborhood. The scene shows several two-story houses with grey roofs and white siding. There are large trees with yellow and green foliage, indicating autumn. A street runs through the center, with a white bus and a red car visible. The overall atmosphere is peaceful and community-oriented.

*Delta Dental champions initiatives  
that build healthy, smart, vibrant communities.*



Delta Dental of Michigan, Ohio, and Indiana

A photograph of two people, a woman and a man, standing in a modern office hallway. The woman on the left is wearing a black blazer over a blue and white patterned top, black pants, and glasses. The man on the right is wearing a dark suit, a white shirt, and a patterned tie. They are both smiling at the camera. In the background, there is a wooden reception desk with a potted plant and a mirror. A green circular graphic is overlaid on the right side of the image, and a blue circular graphic is overlaid on the left side.

*"I'm honored to lead the board at this exciting time as we embrace our corporate purpose and help our team move our companies to the **next level.**"*

*Kelly Scheiderer, RHIA, MHA  
Chair of the Board of Directors*

*"Building relationships and building communities are what **building business** is all about."*

*Goran Jurkovic, CPA, CGMA,  
President and CEO*

Delta Dental of Michigan, Ohio, and Indiana works every day to build healthy, smart, vibrant communities. This focus drives our daily work, and it's evidenced in our corporate strategic plan.

Sincere thanks to our employees, board members, customers, participating dentists and business partners for building brighter futures in 2018.

## Business

In 2018, our TriState sales and account management team added more than \$136 million in new business in Michigan, Ohio and Indiana. This represents growth of more than 220,000 new subscribers in our three states.

The value that Delta Dental provided in 2018 translated to a near-perfect business renewal rate of 98.9 percent, up from 96.3 percent in 2017.

At the end of 2018, our total number of TriState subscribers was more than 4.8 million, covering more than 8.5 million lives.



## Technology

Dewpoint, our information technology solutions company, continued its record growth in 2018 with a 90 percent win rate of all business pursued. We ended 2018 with 11 customers in our data center, up from five in 2017.

Our information technology staff continues to make great strides in diversifying its portfolio in the insurance, government and commercial sectors.

Also in 2018, the Roosevelt transformation initiative saw significant growth across strategic projects in the portfolio. Our external shopping websites have gone live, and individual enrollments continue to increase.

We're setting the foundation to expand into new markets and moving to a technology that will enable successful growth, stability and data security for all of our constituents. In addition, our internal modules are being developed with an enhanced user interface to make Roosevelt one of the best looking and most functional dental and ancillary claims systems on the market.

## Investments

Red Cedar Investment Management LLC completed the transition of the Delta Dental of Michigan, Ohio, and Indiana investment department into Red Cedar and assumed full investment management responsibilities for all remaining assets in 2018.

The SEC-registered investment adviser continues to grow, adding a team of seven new investment professionals and expanding the firm's footprint into Grand Rapids, Michigan, and Cincinnati, Ohio, and allowing a substantial portion of assets to be managed in-house, lowering management fees and further increasing the value Red Cedar provides.

As of December 31, 2018, Red Cedar had discretionary assets under management of just over \$1 billion and anticipates modest growth in the coming year as it builds its institutional asset management capabilities and external distribution channels.



# Combined Financial Results<sup>1</sup>

(as of December 31)

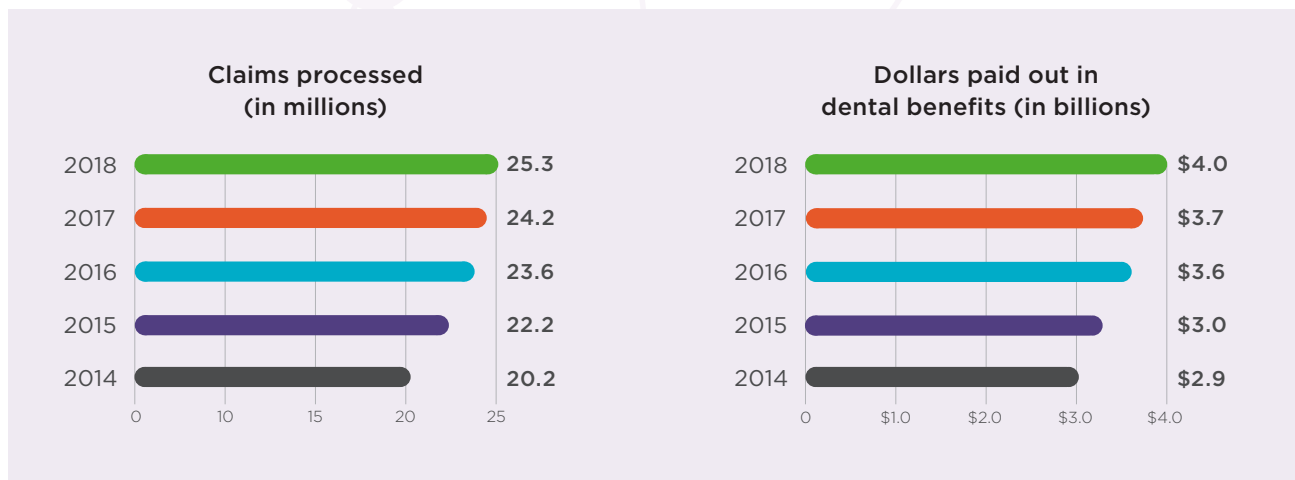
|                                          | 2018            | 2017             |
|------------------------------------------|-----------------|------------------|
| <b>Total assets</b> .....                | \$1.59 billion  | \$1.60 billion   |
| <b>Net assets</b> .....                  | \$1.19 billion  | \$1.18 billion   |
| <b>Total revenue</b> .....               | \$4.58 billion  | \$4.29 billion   |
| <b>Total benefits and expenses</b> ..... | \$4.48 billion  | \$4.18 billion   |
| <b>Operating income</b> .....            | \$98.63 million | \$114.39 million |

## Combined Business Summary<sup>1</sup>

|                                                      |               |
|------------------------------------------------------|---------------|
| <b>Claims processed</b> .....                        | 25.3 million  |
| <b>Claims processed within 10 working days</b> ..... | 99.2 percent  |
| <b>Submitted charges</b> .....                       | \$9.8 billion |
| <b>Paid charges</b> .....                            | \$4 billion   |
| <b>Total cost management savings</b> .....           | \$6 billion   |
| <b>Total new business</b> .....                      | \$361 million |
| <b>Total covered people</b> .....                    | 14 million    |

# TriState Service Accomplishments<sup>2</sup>

|                                                                      |                    |
|----------------------------------------------------------------------|--------------------|
| <b>Average speed of answer</b> .....                                 | 19 seconds         |
| <b>Inquiries resolved on first contact</b> .....                     | 99.9 percent       |
| <b>Business renewal rate</b> .....                                   | 98.9 percent       |
| <b>Implementation grade point average</b> .....                      | 4.0 on a 4.0 scale |
| <b>Member overall satisfaction with Delta Dental's service</b> ..... | 98.2 percent       |



1. Combined financial, operational, cost management and coverage results are for Renaissance Health Service Corporation and affiliates, which include Renaissance Health Service Corporation; Renaissance Life and Health Insurance Company of America; Renaissance Health Insurance Company of New York; Renaissance Holding Company and subsidiaries; Delta Dental Plan of Michigan, Inc.; Delta Dental Plan of Ohio, Inc.; Delta Dental Plan of Indiana, Inc.; Delta Dental Plan of Tennessee, Inc. and subsidiaries; Delta Dental Plan of Kentucky and subsidiaries; Delta Dental Plan of New Mexico, Delta Dental Plan of North Carolina; Delta Dental Plan of Arkansas, Inc. and subsidiaries; GLM Holding Company and subsidiaries; and Delta Dental Fund. Delta Dental is a registered trademark of the Delta Dental Plans Association. The numbers exclude risk share business. The Renaissance trade name and marks are owned by Delta Dental Plan of Michigan, Inc. and are not sponsored or endorsed by the Delta Dental Plans Association. Certain numbers have been adjusted to conform to the 2018 accounting classifications.
2. Service accomplishments are for Delta Dental of Michigan, Ohio, and Indiana as of December 31, 2018.

# Boards of Directors

## Delta Dental of Michigan

**Kelly J. Scheiderer, RHIA, MHA**  
Chair  
The Ohio State University  
Medical Center  
Columbus, Ohio

**Joshua S. Howie**  
Vice Chair  
Freeport Financial LLC  
Chicago, Illinois

**Stephen A. Eklund, DDS, MHSA, DrPH**  
Secretary/Treasurer  
Ann Arbor, Michigan

**Sara M. Dolan, CPA, MBA**  
Director-at-Large  
Michigan State University  
Federal Credit Union  
East Lansing, Michigan

**Christopher T. Fisher**  
Director-at-Large  
Keyser Insurance Group  
Kalamazoo, Michigan

**Joseph C. Harris, DDS**  
Immediate Past Chair  
Detroit, Michigan

**Douglas R. Anderson, DDS, MS, JD**  
Savannah, Georgia

**Ann M. Flermoen, DDS**  
St. Johns, Michigan

**Thomas J. Fleszar, DDS, MS**  
East Lansing, Michigan

**Kurt Gallinger**  
Amerisure Mutual Insurance  
Farmington Hills, Michigan

**Raymond Gist, DDS**  
Flint, Michigan

**Jed Jacobson, DDS, MS, MPH**  
Ann Arbor, Michigan

**Jeffrey A. Keller**  
Hilliard, Ohio

**Melissa Stolicker**  
GreenStone Farm Credit Services  
East Lansing, Michigan

## Delta Dental of Ohio

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Benefit Resource Solutions LLC  
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College of Dentistry  
The Ohio State University  
Columbus, Ohio

**Christopher T. Fisher**  
Keyser Insurance Group  
Kalamazoo, Michigan

**Timothy E. Moffit, DBA**  
Kalamazoo College  
Kalamazoo, Michigan

**Poe Timmons**  
Jeni's Splendid Ice Creams  
Columbus, Ohio

**Michael Stull, MBA**  
Employers Health  
North Canton, Ohio

## Delta Dental of Indiana

**Goran M. Jurkovic, CPA, CGMA**  
President and Chief Executive Officer

**Amy L. Basel, CPA, CGMA**  
Treasurer  
Senior Vice President, Chief Financial  
Officer, Chief Risk Officer

**Sue E. Jenkins**  
Secretary  
Vice President and General Counsel

**Anthony D. Robinson**  
Senior Vice President and  
Chief Marketing Officer

## TriState Executive Team

**Goran M. Jurkovic, CPA, CGMA**  
President and Chief Executive Officer

**Amy L. Basel, CPA, CGMA**  
Senior Vice President, Chief Financial  
Officer and Chief Risk Officer

**Mark Baughman**  
Operating Chief Information Officer

**Michael Bobak**  
Vice President, Sales and  
Account Management

**Jeffrey A. Botkin**  
Senior Vice President,  
Business Services

**Joseph Ellsworth**  
Vice President and  
Chief Technology Officer

**Michael S. Gilmore**  
President, Red Cedar Investment  
Management LLC

**Toby L. Hall, FSA, MAAA**  
Senior Vice President,  
Chief Actuary and Chief Data Officer

**Sue E. Jenkins**  
Vice President and General Counsel

**Jeffery W. Johnston, DDS, MS**  
Vice President and  
Chief Science Officer

**Joadi A. Keck**  
Vice President, Human Resources  
and Administration

**Richard J. Lantz**  
Vice President and Chief Lobbyist

**Jennifer Needham, CPA, CGMA**  
Vice President, Finance

**Toni Roberts**  
Vice President, Customer Service  
and Operations

**Anthony D. Robinson**  
Senior Vice President and  
Chief Marketing Officer

**Bradley Ross**  
Vice President, Product Management

**Kenneth D. Theis**  
Senior Vice President and  
Chief Information Officer

**Lori Wheelright**  
Vice President, Sales and  
Account Management

# Delta Dental Foundation

## Board of Trustees

**James P. Hallan**  
Chair  
Lansing, Michigan

**John A. Breza, DDS**  
Vice Chair  
Fraser, Michigan

**Ann M. Flermoen, DDS**  
Treasurer/Secretary  
St. Johns, Michigan

**Stephen A. Eklund, DDS, MHSA, DrPH**  
Member-at-Large  
Ann Arbor, Michigan

**Joseph C. Harris, DDS**  
Member-at-Large  
Detroit, Michigan

**Lawrence D. Crawford, DDS**  
Past Chair  
Rochester Hills, Michigan

**Raymond Gist, DDS**  
Flint, Michigan

**Kelly Scheiderer, RHIA, MHA**  
Hilliard, Ohio

**Bruce R. Smith**  
Newport, Kentucky

**Carole Watkins**  
Grandview Heights, Ohio

## Financial Results

### Total assets:

|                |                |
|----------------|----------------|
| 2018 . . . . . | \$78.7 million |
| 2017 . . . . . | \$81.6 million |

### Net assets:

|                |                |
|----------------|----------------|
| 2018 . . . . . | \$77.1 million |
| 2017 . . . . . | \$80.5 million |

### Investment income:

|                |               |
|----------------|---------------|
| 2018 . . . . . | \$4.1 million |
| 2017 . . . . . | \$5.2 million |

### Program expenditures:

|                |               |
|----------------|---------------|
| 2018 . . . . . | \$3.8 million |
| 2017 . . . . . | \$2.9 million |

*(Programs expenditures are on a cash basis.)*

## Community Support

Delta Dental Foundation funding affected more than **1.2 million** lives in 2018 through direct dental care, community water fluoridation, school-based sealants, dental workforce education and oral health education.

Large projects included: \$1 million to CWRU for a new dental clinic, \$300,000 to Great Lakes Bay Health Centers for the expansion of their dental clinic and \$300,000 to Detroit Public Schools for water hydration stations.

*Holli Seabury, Ed.D.,  
leads the Delta  
Dental Foundation as  
executive director.*

An affiliate of Delta Dental of Michigan, Ohio, Indiana, and North Carolina



2018

## Delta Dental of Michigan, Ohio, and Indiana

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