“Recognition and respect for Delta Dental of Missouri has grown tremendously over the years, and we've earned it. Through all the changes over the years, the quality has remained in our claims, the people we hire, our culture, and the companies we acquire.”

Beth Zumwalt, Manager, Corporate Services, 30 years

“Delta Dental has always been a strong supporter of Give Kids A Smile, right from the beginning. Angie Rightnowar especially has taught us a lot, things like how to grow the program and reach more volunteers and donors. And, she figured out a way to give the children a free lunch at the events, which is terrific.”

Ray Storm, DDS, St. Peters, Missouri
Co-Founder, Give Kids A Smile

“The Teeth on the Go program was wonderful. Teachers, staff, as well as the students loved it! It was presented in such a way that it was not only enjoyed by the students, but they learned from it as well. Mathis Elementary faculty, staff and students would like to thank you for coming to our school with such an excellent program. It was thoroughly enjoyed by all.”

Belinda Laster, LPN, School Nurse
Mathis Elementary, Hayti, Missouri
## 2007 At A Glance

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children served through outreach and educational programs</td>
<td>120,000</td>
</tr>
<tr>
<td>Client companies</td>
<td>1,423</td>
</tr>
<tr>
<td>Total members</td>
<td>1,249,157</td>
</tr>
<tr>
<td>Aggregate savings to clients</td>
<td>$285,054,356</td>
</tr>
<tr>
<td>Clients retained</td>
<td>98.3%</td>
</tr>
<tr>
<td>Members satisfied with dental visit</td>
<td>97.6%</td>
</tr>
<tr>
<td>Claims processed</td>
<td>96.7%</td>
</tr>
<tr>
<td>Claims processed within 14 days</td>
<td>99.7%</td>
</tr>
<tr>
<td>Financially accurate payments</td>
<td>751,003</td>
</tr>
<tr>
<td>Calls to Benefit24</td>
<td>314,363</td>
</tr>
<tr>
<td>Calls answered by Customer Service representatives</td>
<td>94.0%</td>
</tr>
<tr>
<td>Calls answered within 30 seconds</td>
<td>99.6%</td>
</tr>
<tr>
<td>Inquiries resolved on first contact</td>
<td>98.7%</td>
</tr>
<tr>
<td>Members satisfied with Customer Service experience</td>
<td>98.7%</td>
</tr>
<tr>
<td>Visits to web site home</td>
<td>319,843</td>
</tr>
<tr>
<td>Participating Delta Dental Premier Missouri dentists</td>
<td>2,328</td>
</tr>
<tr>
<td>Participating Delta Dental PPO Missouri dentists</td>
<td>912</td>
</tr>
</tbody>
</table>
From the President & CEO and the Chairman of the Board

In 1958, Delta Dental of Missouri was founded as a not-for-profit dental benefits company with a mission to improve oral health by providing affordable access to quality care for all. Fifty years later, we are proud to be the largest and most experienced provider of dental benefits in Missouri, serving over 1.2 million members employed in over 1,400 companies. We are also proud of our affiliation with Delta Dental Plans Association, the leading provider of dental benefits in the United States, comprised of 39 independent, affiliated companies, providing dental benefits to over 50 million people employed in 88,000 companies across the nation.

The reason for our success in Missouri, and nationally, is simple: quality and service come first in everything we do. Throughout the years, our corporate philosophy at Delta Dental of Missouri has been, “excellence is our standard; perfection is our goal.” Our commitment to this philosophy is reflected in all aspects of our operations:

• state-of-the-art claims processing system
• unparalleled personal customer service
• 24/7 access to information and support through the Benefit24 integrated voice response system and Benefit24 Online
• strong partnerships with participating dentists and local dental associations
• charitable support of community initiatives to improve oral health and oral health awareness.

Join us as we celebrate our 50-year legacy of compassion, the exciting growth and accomplishments of 2007, and our bright future. We will continue to advance our mission to improve oral health in Missouri and beyond and help define innovation in oral healthcare.

Some of our most exciting and rewarding years have occurred in the recent past. Within the last decade, we have experienced record-setting growth, more than tripling our size, while at the same time, improving operating efficiency and reducing administrative costs to less than eight percent of revenue. We have succeeded at doing more with less by retaining and rewarding talented, experienced employees and improving technology support.

We are putting that eight percent of revenue to good use, developing new, innovative benefit options, such as Brush Biopsy coverage (2005); Healthy Smiles, Healthy Lives Benefits (2007); and our new MAXAdvantage Benefit Option (2008). In 2007 we also invested in the Delta Dental claims data warehouse, the largest dental claims database in the United States. This powerful tool will enable us to conduct the outcomes research needed to uncover new information on the long-term impacts of treatment for individuals in different life stages and with unique health conditions. Also in 2007, we upgraded our Benefit24 integrated voice response system to simplify the menu, speed access to information and improve self-service reporting.
The unprecedented success of the recent past has enabled us to do more to support charitable and educational initiatives in the community. Our children’s oral health educational program, Teeth on the Go, and the charitable clinic we sponsor, Give Kids A Smile, reach over 120,000 children each year.

We continue to support the professional community with scholarships for dentists, hygienists and dental assistants. In 2007, we awarded our first four-year full dental school scholarship to a deserving student. Also this year, we filled requests by professional groups for our P.A.N.D.A. (Prevent Abuse and Neglect Through Dental Awareness) presentation which educates dental professionals about their important role in identifying and reporting child abuse. We were also actively engaged with the non-profit Delta Dental Health Theatre, as a primary, permanent sponsor, and continue to work with them to renovate their space, innovate new programs for children and families, and attract new sponsors.

2007 was another record-setting year for Delta Dental of Missouri, with premiums and revenues reaching $365 million, a 12 percent increase over 2006. These financial results reflect that we are continuing to provide the products our customers need and want, along with the unparalleled customer service that is our hallmark. This past year, we added significant new clients, including: Ameren, St. Louis University and additional divisions of Furniture Brands and Ascension Health that helped to increase total membership to 1,249,157. We are particularly proud of our South Carolina regional office, Delta Dental in South Carolina, which has more than doubled its membership in recent years. The future looks even more exciting. Scientific research continues to uncover more about the potential relationship of oral health to overall health. As more is discovered about this relationship, we are more committed to making a positive impact on oral health and overall health as well.

We are at an exciting crossroads. We celebrate 50 years of compassion and commitment to improving oral health, and we move forward to a future of continued growth, impact and service. Much will change, and much will remain the same. One thing that will remain constant is the source of our inspiration. As always, it will be you – our valued partners: clients, members, dentists, producers, and, most of all, our incredible employees who make it all possible. As we grow, we do so focused on meeting your changing needs. Thank you for your support and inspiration.

Steve P. Gaal, III
President and CEO

Richard J. Haffner, DDS
Chairman of the Board

“I love to look back over my years at Delta Dental and reminisce about all the progress we’ve made. Back in 1975 when I was first employed, we processed claims manually. Today, we have company-wide service goals in place for all employees to strive to achieve. This helps to promote a strong work ethic throughout the company. Our advanced technology as well as our strong work ethic have helped our Delta Dental family to thrive and develop positive processes for growth and change.”

Patti Mare, Customer Service Team Leader
33 Years
For 50 years, Delta Dental of Missouri has set the standard for excellence in dental benefits because of our commitment to outstanding quality, excellent service, and compassionate community outreach. This commitment has enabled us to effectively serve our clients, members, producers and community, and to create outstanding business results. Internally, these commitments have fostered a rich and satisfying corporate culture.

Clients, members, producers and participating dentists have responded enthusiastically to our sincere interest in their satisfaction and well-being. We are the number one dental benefits provider in Missouri, with our Delta Dental Premier network including more than 2,300 Missouri dentists, and our Delta Dental PPO network including more than 900 dentists. Within the national Delta Dental Plans Association network of 39 Delta Dental affiliated companies, we rank eleventh in size. Our national Delta Dental Premier network includes more than 124,200 dentists and our Delta Dental PPO network includes more than 62,500 dentists. Although the market trend for dental benefits nationally is relatively flat, Delta Dental of Missouri experienced membership growth of more than eight percent in 2007.

Our serious commitment to quality, service and compassionate outreach has not only improved oral health for the communities we serve, but has also made us the recognized gold standard in the industry. We lead the industry with a unique guarantee of performance, our Guarantee of Service Excellence. For each major client, we promise we will exceed performance expectations on seven specific deliverables, determined in collaboration with that client. If we don’t deliver on these promises, we pay. Thanks to our long-standing commitment to excellence, we don’t pay often!

These results are achievable because we begin by setting high internal standards for excellence. We continually monitor our performance against internal standards and, over time, raise the bar. As one example of our internal performance standards, we currently resolve over 99 percent of all requests to Customer Service on first contact. For requests that take longer to complete, we call the member, dentist or client back each day with a progress report until the issue is resolved.

We also set Customer Service performance goals. Through sheer dedication to excellence, we meet and even exceed these goals. Currently, we answer all calls,
on average, in under 9 seconds, 94 percent of calls within 30 seconds, and have 98.7 percent of customers who contact Customer Service satisfied with their experience. In Customer Service, and throughout the company, excellence is our standard; perfection is our goal.

We are fortunate to have a committed team of close-knit employees, many of whom have been with the company for 30 or more years. The average tenure of our employees within Group Accounts is 14 years, within Customer Service, 16 years. These retention rates are high and rare. We have accomplished these achievements in employee retention by empowering employees to create the best solutions for customers. Every client has three service support teams, one for eligibility and billing (Group Accounts), one for account management and planning (Account Management) and a third for day-to-day service (Customer Service). Healthcare benefits industry experience in our Account Management team typically exceeds 20 years.

We believe that strong support for employees fosters professional development, employee satisfaction and ultimately, client satisfaction. We also provide a competitive benefits package for employees that includes tuition reimbursement, which is scaled based on academic performance, for career-related education. Finally, our employees have a voice. We regularly survey employees for job and culture satisfaction, and provide outlets for both confidential and non-confidential submissions of business suggestions and ideas.

Most critical – we place a premium on mutual respect and caring, both in the workplace and in the community. Many employees are repeat volunteers at community outreach events, and our internal emphasis on service excellence between and among employees reinforces the imperative to treat others as you wish to be treated.

“\n
“There’s no downside to Delta Dental. They have great service and a lot of providers. With other companies our employees complained about claims that took a long time or were denied. Delta Dental is always on call to resolve issues, but now we don’t have any. It’s a no-brainer. We won’t even look at changing.”

Teri Kreitzer, Director of Human Resources, St. Francis Medical Center Cape Girardeau, Missouri

| 1970 | MDS initiates joint agreement with Blue Cross/Blue Shield to administer claims processing |
| 1985 | MDS changes name to Delta Dental Plan of Missouri (DOPMO) |
| 1988 | Delta Dental Plan of Missouri becomes independent from Blue Cross/Blue Shield |
Positive Impacts for Customers

**Benefit24**

Everything we do is focused on the needs and wishes of our customers. We want our customers to feel that they receive the best possible value from their investment with Delta Dental of Missouri. Thus, in 2007, we continued to use technology in new ways to improve upon the customer experience and the value we provide. For example, this year we rolled out a new upgrade to our Benefit24 integrated voice response (IVR) system. Benefit24 is now easier to use, provides more account information, and offers improved fax-back reporting. This is a positive improvement for participating dental offices, who comprise 60 percent of our Benefit24 requests, and for our members. Participating dental offices and members can use the system to quickly determine the correct coinsurance and deductible, as well as request detailed information on recent claims and claims history.

**Delta Dental Data Warehouse**

Another major step forward, in 2007 we purchased the Delta Dental data warehouse, the largest claims warehouse database in the United States. This is a high-tech tool that will enable us to explore new frontiers in research on long-term treatment outcomes. With this information, we can design improved benefit programs that will maximize the long-term oral health and wellness of members. We believe that the Delta Dental data warehouse will help determine the future of integrated, outcomes research.

For example, research information from the Delta Dental data warehouse indicates that sealants properly applied to the first and second molars of children reduce cavities by over 80 percent over a five year period. A similar outcome was discovered for adults. As a result of this information, sealants for both children and adults are now available in our new Healthy Smiles, Healthy Lives Benefits, along with other improved wellness.
benefits. We offer these new benefits in light of proven long-term health advantages for our members. Over time, these benefits improvements may also help manage and reduce long-term dental claims costs for both members and employers.

**aQDen**
DeniServ*, our claims administration subsidiary, continues to improve the efficiency and flexibility of our aQDen claims processing system, which is now able to auto-adjudicate 82 percent of all claims, up from 70 percent just a few short years ago. This saves both time and money on claims processing and speeds reimbursement.

Each year, we improve the efficiency of claims processing, and the speedy incorporation of critical client and member information. Generally, all member identification and eligibility information is now processed much more rapidly.

**Self-Service Options**
In recent years, we have increased the number of client companies who utilize online enrollment to speed and simplify administrative tasks. This online enrollment feature allows human resource managers to be more self-sufficient. Users can load new applications, modify current coverage, terminate subscribers and print address information and eligibility reports for subscribers, spouses, and dependents.

In 2008, Delta Dental will initiate an online invoice feature. Fully-insured clients will receive invoices online and ASC (self-insured) clients will access monthly administrative fees online. Clients electing this new feature will be able to log on to Delta Dental’s web site and view or print their invoices according to group number, sublocation, invoice year and month.

**New Member ID Cards**
In January 2008, Delta launched newly re-designed ID cards for employees of companies that elect personalized ID cards. For these companies, ID cards will be mailed to members’ homes, eliminating the need for human resource managers to distribute them to employees.

*DeniServ trade names and marks are owned by Delta Dental of Missouri and are not sponsored or endorsed by the Delta Dental Plans Association. Delta Dental is a registered trademark of the Delta Dental Plans Association.

---

“Customer Service has always been a huge priority, and we’re much more sophisticated now. Our average turnaround time for claims is about four days. Keep in mind, two of these days are used for scanning paper claims (40% of our claims). Competitors give this kind of service to major clients. We do it for every client. I love working with my coworkers. They’re happy, they take care of their clients, they know their job, they do their job, and they have fun.”

Pam Martin, Chief Operating Officer
33 years
Positive Impacts in the Community

Teeth on the Go
Move over Andrew Lloyd Webber – Delta Dental of Missouri created a live, touring theatrical show, Teeth on the Go, (2001) to entertain and educate children in kindergarten through third grade about proper dental care and the importance of oral health and a healthy lifestyle.

The hit show, starring the Tooth Wizard, PlaqueMan, and Panda, tours Missouri schools every year and in 2007 reached more than 72,000 children in most Missouri counties. Along with the live show, Teeth on the Go provides a classroom curriculum kit, developed by Delta Dental of Rhode Island, that includes additional resources for teachers, such as a suggested curriculum, oral health DVD, sing-along CD, children's books and a larger than life-size mouth model and toothbrush.

Thanks to Delta Dental of Illinois, in 2007, for the first time, Teeth on the Go also educated over 20,000 children in Illinois. A similar Illinois tour is underway in 2008. We are also ecstatic that Teeth on the Go was recently adopted by Delta Dental in South Carolina, with the inaugural tour completed in February 2008.

The Teeth on the Go touring program has educated more than 400,000 children since the program was first introduced.

Land of Smiles
Teachers and principals agree that the Teeth on the Go show completely engages children and positively impacts behavior, making the topic of oral health both fun and relevant for children. To continue the fun, reinforce the learning, and expand our reach, in 2007, in conjunction with Delta Dental of Arkansas, we created our first DVD adventure for young children, Land of Smiles, based on the traveling show, starring the Tooth Wizard, PlaqueMan and Panda. We also launched a new children's web page, featuring the Land of Smiles video at www.landofsmilesvideo.com. In addition, we developed a new classroom curriculum to be used in conjunction with the Land of Smiles DVD.

Give Kids A Smile
Regarding outreach, we are proud to be a founding and lead sponsor for the non-profit Give Kids a Smile (GKAS), now in its seventh year. GKAS has provided $1.9 million in free, comprehensive dental care to over 6,300 underserved children in the St. Louis metropolitan area during 12 previous bi-annual clinics. In 2003, Give Kids A Smile was also an inspiration for the American Dental Association (ADA), which launched a national Give Kids A Smile campaign that continues today. And, in 2007, Give Kids A Smile was recognized by the U.S. Congress as an exemplary grassroots effort.

In 2007, we helped to support Give Kids A Smile in St. Louis as they expanded their reach to younger children. GKAS
conducted its inaugural Tiny Smiles clinic to address the growing need for oral healthcare and health screenings among underserved children up to age five. The Tiny Smiles clinic, conducted in October 2007, provided basic preventive dental treatment in a nurturing atmosphere, along with hearing exams, health screenings, dental supplies, teddy bears, and lots of one-on-one attention for children and their parents.

**Dental Scholarships**

In 2007 we also built upon our tradition of supporting the dental profession by awarding our first annual Delta Difference Dental Scholarship to Emily Johnson, a graduate of Truman State University. The scholarship covers the cost of tuition at University of Missouri – Kansas City (UMKC) School of Dentistry for four years, books, supplies, and room and board. Upon graduation from UMKC, Johnson's commitment to Delta Dental of Missouri will be three years of community dental service in rural and underserved areas of Missouri. We also provide scholarships for dental hygienists and assistants.

**FutureFocus**

To advance the expertise and effectiveness of the regional healthcare benefits industry, each year since 2002, we have offered a free, strategic educational seminar, futureFOCUS, to area human resource executives, human resource decision-makers and benefits producers. futureFOCUS provides a strategic window on the future of healthcare and healthcare benefits. This free seminar brings to St. Louis some of the best minds and leaders in the health benefits industry, and has helped to educate and inform almost 1,000 area benefits leaders.

In 2007, almost 200 guests attended the four-hour seminar, conducted at the St. Louis Zoo, to hear industry leaders share their predictions, issues and concerns about the future of healthcare and healthcare benefits. This year's keynote speakers were Mr. Ian Morrison, best-selling author and well-known industry expert, and Dr. Ron Inge, Dental Director for Washington Dental Service, and nationally-known speaker on the future of dental benefits. Participant ratings of the event were very high, and reinforced our belief that this seminar has the potential to positively impact strategic benefits planning for area businesses.

“Delta Dental isn’t just a financial supporter of Give Kids A Smile; they put heart into these clinics. The quality of care and nurturing is something to see, not to mention all of the volunteers and the lighthearted fun and education they provide. That kind of enthusiasm is hard to find in any organization. And they’re always working with us to make it better.”

Joan Allen, Executive Director
Give Kids a Smile
Inside Health and Dental Benefits

Also highlighted at the 2007 futureFOCUS seminar were the results of our research study, Inside Health and Dental Benefits, which charted the attitudes and opinions of Midwest region employees and Missouri employers toward the current healthcare benefits environment. Our research confirms that dental benefits continue to be a very popular benefit. Most employees (over 70%) consider dental benefits to be “absolutely essential.”¹ That number may very well increase as the industry discovers more potential relationships between good oral health and the minimization of complications for some other systemic illnesses and medical conditions, such as diabetes and premature birth. Highlights of the Inside Health and Dental Benefits study were published in the November 2007 edition of Benefits Selling Magazine.

Charitable Outreach

Delta Dental of Missouri is a leader in charitable outreach and education, supporting programs such as Teeth on the Go, the new Land of Smiles educational DVD, Give Kids A Smile, P.A.N.D.A. (Prevent Abuse and Neglect Through Dental Awareness), and the Delta Dental Health Theatre. We also support other health fairs and civic events, such as Winter Zoo at the St. Louis Zoo, KETC’s Arthur’s Picnic in the Park, the futureFOCUS educational seminar, and the Greater St. Louis Dental Society’s Dinosaur Doings at the St. Louis Science Center. We support charities such as Sunnyhill, Inc., the Susan G. Komen Race for the Cure, the United Way, Old Newsboy’s Day, and March of Dimes’ Walk America.

In 2007 we reached over 120,000 children and hundreds of benefits professionals with our outreach and educational programs. We reached many more children and families through our civic events and charitable partnerships. Community outreach is an important part of realizing our mission and we will continue to expand our support for the community commensurate with our growth.

¹ 2006 Inside Health and Dental Benefits Research Study

Give Kids A Smile Free Dental Clinic
In 2008 and beyond, our priority will continue to be you, our clients, members, participating dentists, producers and employees. We will continue our commitment to quality and service, build upon our legacy of compassionate outreach, and strive for a future that helps define the future of dental benefits and positively impacts oral health.

Your continued support is critical to help us deliver on our mission to improve oral health. Your support will also enable our continued business growth and success. We look forward to reinvesting our success into community service and improved products and services for you.

Looking ahead to the future, expect to see more innovative programs designed to meet your changing needs. We will explore new evidence-based benefits options and enhancements, such as Brush Biopsy, Healthy Smiles, Healthy Lives Benefits and the new MAXAdvantage Benefit Option. MAXAdvantage effectively extends a member’s annual maximum benefit amount, by ensuring that most aspects of routine, preventive dental care will not reduce their annual benefit maximum. Research suggests that preventive and evidence-based benefits like these help to improve oral health, and potentially overall health. Over time, they also help reduce dental claims costs, and potentially medical claims costs.

We will expand our reach with strategic acquisitions of affiliated benefits providers when the opportunity is right. In the past such acquisitions have included Essex Dental Benefits* (2003), focused on small and medium-sized companies, and Bridgeport Dental Services* (2007), providing Medicaid and SCHIP public dental benefits administration.

*A Essex Dental Benefits and Bridgeport Dental Services trade names and marks are owned by Delta Dental of Missouri and are not sponsored or endorsed by the Delta Dental Plans Association. Delta Dental is a registered trademark of the Delta Dental Plans Association.

“Delta Dental is our largest contributor, but they do much more than monetary donations. They're really more like a partner. A Delta Dental employee chairs our golf tournament fundraiser each year and many employees attend our annual gala dinner event. They also provide important information that helps us link our Medicaid clients to quality dental care. We’d be absolutely lost without their help and contributions.”

Victoria Presnell, Executive Director
Sunnyhill, Inc., St. Louis
We will raise the bar on service performance, moving aggressively toward delivering real-time claims processing and adjudication. We’re also committed to offering enhanced self-service options for client administrators, including online billing and bill payment.

We will help create and fund services for the underserved and families. As always, we’ll be working in partnership with dentists, charitable organizations, elementary schools, dental schools, and local civic partners.

We will expand our customer base as we strive to offer the best in dental benefits for all clients, both large and small. Most of all, we will continue to strive to make a positive impact that adds value and helps you meet your business goals now and in the future.

We relish both the challenges and the opportunities that lie ahead. We are confident that our efforts to leverage excellent service, affordable access, leading-edge technology, and community outreach will enable us to continue to evolve and grow along with you.

Delta Dental 25-Year and 30-Year Clubs

2007  Benefit24 IVR system is upgraded
2007  DDMO sponsors inaugural Tiny Smiles clinic for children up to age five
2007  Delta Dental in South Carolina doubles membership within six years
## Statement of Financial Position

**Assets**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$60,561,113</td>
<td>$48,626,393</td>
</tr>
<tr>
<td>Dues receivable</td>
<td>23,483,570</td>
<td>24,155,416</td>
</tr>
<tr>
<td>Property and equipment, net and other assets</td>
<td>13,909,855</td>
<td>12,854,190</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$97,954,538</strong></td>
<td><strong>$85,635,999</strong></td>
</tr>
</tbody>
</table>

**Liabilities**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undischarged and unreported cases</td>
<td>$23,467,561</td>
<td>$24,379,063</td>
</tr>
<tr>
<td>Advance premium</td>
<td>2,914,251</td>
<td>1,911,844</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>11,189,333</td>
<td>9,269,866</td>
</tr>
<tr>
<td>Mortgage loan payable</td>
<td>4,281,868</td>
<td>4,398,950</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$41,853,013</strong></td>
<td><strong>$39,959,723</strong></td>
</tr>
</tbody>
</table>

**Total Net Assets**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$97,954,538</strong></td>
<td><strong>$85,635,999</strong></td>
</tr>
</tbody>
</table>

**Changes in Net Assets**

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets at beginning of year</td>
<td>45,676,276</td>
<td>36,070,481</td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>10,425,249</td>
<td>9,605,795</td>
</tr>
<tr>
<td><strong>Net Assets at End of Year</strong></td>
<td><strong>$56,101,525</strong></td>
<td><strong>45,676,276</strong></td>
</tr>
</tbody>
</table>

---

Delta Dental has been a very good partner. The network has the most dentists in the state, and we have a very good benefits package that’s easy to work with. They’re also very good at promoting availability so members are aware and can enroll. Fees and rates have been very competitive.”

Ron Meyer, Executive Director
Missouri Consolidated Health Care Plan
Jefferson City, Missouri

**Growth**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Members</th>
<th>Total Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>790,500</td>
<td>118</td>
</tr>
<tr>
<td>2004</td>
<td>870,500</td>
<td>116</td>
</tr>
<tr>
<td>2005</td>
<td>1,024,822</td>
<td>111</td>
</tr>
<tr>
<td>2006</td>
<td>1,154,512</td>
<td>115</td>
</tr>
<tr>
<td>2007</td>
<td>1,249,157</td>
<td>124</td>
</tr>
</tbody>
</table>

**Total Members** | **Total Employees**
--- | ---

**Cost Management**

$285.1 Million Saved

- 2% Optional services
- 4% Coordination of benefits
- 5% Eligibility savings
- 3% Non-participating dentist MPA savings
- 6% Duplicate claims
- 5% Plan deductibles
- 6% Plan maximums
- 7% Non-covered services
- 9% Non-billable return for information
- 1% Non-billable policies
- 1% Professional review
- 36% Patient coinsurance
- 15% Participating dentist savings
Board of Directors

Richard J. Haffner, DDS
St. Louis, Missouri

Brian Berglund
Partner, Bryan Cave, LLP
St. Louis, Missouri

Melvin Bloom, CPA
Retired, Senior Partner
Hochschild, Bloom & Company
Chesterfield, Missouri

Ollie Fisher, DMD
St. Louis, Missouri

Steve P. Gaal, III
President and CEO
Delta Dental of Missouri
St. Louis, Missouri

Dee A. Joyner
Senior Vice President
Commerce Bank
Clayton, Missouri

Shanon T. Kirchhoff, DDS
Cape Girardeau, Missouri

H.R. (Mick) Redohl
President Emeritus
AAIM Management Association
St. Louis, Missouri

Not Pictured
Guy P. Bates, DDS
Springfield, Missouri

Joseph P. Hopkins
Past President and CEO
Delta Dental of Missouri
St. Louis, Missouri

Edward C. Robison, DDS
Warrensburg, Missouri

Board Officers
Richard J. Haffner, DDS
Chairman of the Board

Ollie Fisher, DMD
First Vice Chairman

Dee A. Joyner
Treasurer

Officers
Steve P. Gaal, III
President and Chief Executive Officer

William Tunney, Jr.
Secretary

Robert M. Tait, DDS
Grandview, Missouri

William Tunney, Jr.
Retired, Senior Partner
Boyden
Chesterfield, Missouri

Kenneth L. Worley
Retired, Director
UAW Region 5
Fortuna, Missouri

Edward C. Robison, DDS
Second Vice Chairman

David W. Haynes
Chief Financial Officer,
Assistant Treasurer

Richard W. Klassen
Chief Marketing and Sales Officer

Janice M. Lees
Vice President,
Board Relations,
Assistant Secretary

Pamela A. Martin
Senior Vice President,
Chief Operating Officer

Alcides O. Martinez
Vice President,
Government and Dental Affairs

Karl A. Mudra
Chief Information Officer
Photo Index

All photos are listed from left to right on the page. Everyone is identified left to right, front to back.

Page 2
Meghan Branham and daughter, Peyton Branham

Page 3
Steve P. Gaal, III and Richard J. Haffner, DDS

Page 4
Large photo – Jeff Koziatek, as the Tooth Wizard
Circle – Beverly Schneider

Page 5
Circles – Kim Froehlich, Shawn Bellman, Tom Price
Rectangular photo – Jeff Koziatek, as the Tooth Wizard and Jamie Kurth, as PlaqueMan

Page 6
Large photo – Debbie Faller, Lisa Conway, Beverly Schneider, Lisa Pyle, Michell O’Rourke, Shelly Fleetwood, Patti Mare, Sharon Price, Melissa Harden, Sandy Duncan, Lori Crews
Circles – Michelle Swehla, Jeanne Aubuchon

Page 7
Circles – Shirley Wilson, Pat Smith, Mike Dietrich
Rectangular photo – Angela Gordon, Joey May (seated), Liz Baumgarth, Debbie Faller (seated), Sherri Mitchell, Lisa Conway (seated), Michelle Brower, Betsy Teller, Beverly Schneider, Lisa Pyle, Michell O’Rourke, Becky Lee, Patti Mare, Anita Thomas, Shelly Fleetwood, Ronda Hunter, Sharon Price, Melissa Harden, Sandy Duncan, Lori Crews

Page 8
Cassie Kurth, as Panda, and a Panda fan

Page 10
Anita Thomas

Page 11
Sisca Haddock, Maureen O’Neill, Ronda Hunter, Denny Lowry

Page 12
Large photo – Venessa Hunter as Panda and Becky Lee
Rectangular photo – (front row) Patti Mare, Pam Summers, Beth Zumwalt, Jan Lees, Al Martinez, Sherri Mitchell; (middle row) Cris Claridge, Terri Delashmit, Michell O’Rourke, Debbie Faller, Laura McClellan, Joyce Smith, Natalie Simmons; (back row) Karen Hayo, Pam Martin, Nancy Weygandt, Joey May, Sandy Duncan, Sally Mann
Circles – Venessa Hunter, Rita Hirshberg, Laura Kleinhoffer
“The Teeth on the Go program was a very great educational program! All of the children were so excited and came in the next day to school talking about brushing, flossing and using mouthwash! My first grader remembered all the things that were taught and recited them off to dad. And he brushed in circles this morning and even counted to 30 while he ‘swished’ his mouthwash!”

Melanie Smith, School Nurse
James Walker Elementary, Blue Springs, Missouri