leadership. service. community.
Steve Gaal, our former CEO, retired in early 2010 to begin the next exciting chapter of his life. During his tenure as CEO, Steve cultivated a spirit of giving, not only through corporate charitable efforts, but also by setting a quiet example with his personal charitable work. Steve’s personal philanthropic endeavors include the Boy Scouts, the Rural Parish Workers, the Cystic Fibrosis Foundation and a board position with Sunnyhill, Inc.

As CEO, his generous spirit and vision have also been much appreciated by organizations like Give Kids A Smile, Delta Dental Plans Association and others. Notes of thanks to Steve are included throughout the report.

In addition, six more of our company’s “homegrown heroes” – employees who volunteer in their own communities – are featured throughout this annual report, illustrating the spirit of giving that Steve’s philanthropic efforts exemplify.

Steve is Chairman of the Board for Sunnyhill. He and his wife Gina have supported the Sunnyhill mission for many years. Steve’s leadership has provided our administrative staff the leadership needed to create a clear vision for the future. With his help, we have put a plan in place that will continue to improve the quality of our services and our ability to provide those services to more people. He is a valuable asset to our agency as we create a world of opportunity for children and adults with disabilities to make their dreams come true.

Vicky James
President and CEO of Sunnyhill
2009

1,574 ~ Client partners
99.3% ~ Clients retained
1,362,794 ~ Total members
2,154,295 ~ Claims processed
97.7% ~ Claims processed within 14 days
99.3% ~ Accuracy of payments
$295,708,798 ~ Aggregate savings to Delta Dental of Missouri clients
98.6% ~ Members satisfied with calls to customer service
511,869 ~ Calls to Benefit24
356,580 ~ Calls to service representatives
99.9% ~ Inquiries resolved on first contact
2,439 ~ Delta Dental Premier dentists in Missouri
1,050 ~ Delta Dental PPO dentists in Missouri
132,854 ~ Delta Dental Premier dentists in the U.S.
72,722 ~ Delta Dental PPO dentists in the U.S.
80,000 ~ Children served through the Land of Smiles educational health theatre program
$47.9 million ~ Donated to national health and wellness charities by Delta Dental member companies

Delta Dental’s Land of Smiles characters ~ Panda, PlaqueMan and Tooth Wizard
It is widely recognized that the character of an organization is often established at the very top. It is the CEO who not only charts the business success but also sets the tone for corporate culture. I am proud to say that this has fortunately been true for Delta Dental of Missouri during Steve Gaal’s tenure as President and Chief Executive Officer.

Over the past nine years, with Steve at the helm, Delta Dental achieved tremendous growth and success, nearly tripling revenues, improving operating efficiency, and achieving exceptional client retention.

Steve also stimulated innovation and championed new ventures. Nine years ago, when Steve first assumed office, Delta Dental of Missouri was a successful and much smaller organization. Since then, the company has expanded its footprint with the strategic acquisitions of Essex Dental Benefits1 and Bridgeport Dental Services1 and also achieved tremendous organic growth with focused marketing and product innovation.

In recent years, Steve has helped guide Delta Dental of Missouri to innovate new products and services that encourage preventive care and enhance value for our client partners. In 2005, Delta Dental of Missouri was among the first in the nation to offer coverage for Brush Biopsy. In 2007 we were among the first to launch an evidence-based plan design, Healthy Smiles, Healthy LivesSM Benefits and in 2008 we originated MAXAdvantageSM to stretch annual maximum coverage. In February 2010 we launched SmileChoiceSM, our first dental benefits plan for individuals. Also in February, we completed the acquisition of Advantica EyeCare1, a $46 million vision benefits company, and will soon introduce DeltaVison®, group vision coverage. Both initiatives flourished under Steve’s watch.

Our work in the community expanded under Steve’s leadership. As a non-profit with a mission to improve oral health, Delta Dental of Missouri has partnered with dental professionals to provide free oral healthcare for underserved children, educated the next generation of Missouri school children to practice good oral health habits and provided scholarships for dental students committed to practicing their first three years in underserved Missouri communities.

Steve also championed strategic support for the health benefits community with the innovative seminar, futureFOCUS, which has, for the past eight years, brought the best and brightest thinkers to Missouri to deliberate on the future of healthcare and oral healthcare. This year, futureFOCUS enjoyed its largest audience to date, with over 600 human resources executives, benefits leaders and healthcare professionals attending to hear former Speaker of the House Newt Gingrich and nationally known dental expert Jed Jacobsen, DDS, MS, MPH.

In 2009, Steve celebrated his twentieth anniversary with Delta Dental of Missouri. He has been fully committed for each of those years to sustaining a unique, family-friendly corporate culture. As CEO, Steve worked to retain the best traditions that enrich our culture. There aren’t many CEOs who host luncheons for employees with five or more years’ tenure to celebrate their contributions and listen to their ideas. There aren’t many companies that would break on a Friday afternoon for a United Way fundraising carnival. Each of these celebratory moments, and others, fastidiously cultivated, have created a culture of passion and engagement.

To sum up, we selected the title for this year’s annual report – “Leadership, Service, Community” – to celebrate the contributions Steve has made to Delta Dental of Missouri over the last 20 years. We also celebrate the charitable efforts of all the quiet heroes in our company who give of themselves for the benefit of others.

Richard J. Haffner, DDS
from the president and ceo

Our greatest accomplishments this year have been continued growth, sustained client loyalty and retention, and, despite the tough economy, secure jobs for our valued employees. We, like most benefits companies, experienced unusually high levels of utilization this year, which tightened our margins. However, we effectively weathered this challenge with a year of profitable growth.

We increased membership at Delta Dental of Missouri by over 50,000, bringing total membership to over 1.36 million within 1,574 client companies. This includes over 122,000 members in South Carolina within 195 South Carolina-based companies. Revenue from premiums and fees exceeded goal, reaching $436,794,999, as did client retention, topping 99 percent.

Through strategic acquisitions, we continue to expand our reach of services. In 2003, we acquired Essex Dental Benefits\(^1\) to provide dental coverage to small- and medium-sized companies in the Midwest region. In 2007, we purchased Bridgeport Dental Services\(^1\), a dental benefits administration company for public programs. Finally, our information management subsidiary, DeniServ\(^1\), continues to improve our aQDen system, among the leading claims processing systems in the industry. Over the last few years, DeniServ has become a provider for other dental benefits companies, and will provide support for a sister company, Delta Dental of Oklahoma, in 2010.

We provide tremendous value for client partners. I am proud to say that we saved them over $295 million in claims costs this year, over 49 percent of the amount of net submitted claims. Nationally, our 39 Delta Dental member companies saved client partners over $6.6 billion.

As a customer-focused company, it has been particularly rewarding to review the results of our bi-annual client satisfaction study. Similar to our national clients, our Missouri client partners most highly value our networks, claims processing, cost management and service support. In Missouri, client satisfaction slightly surpassed national Delta Dental results, with 95 percent satisfied with service\(^2\).

Equally important to our success is the achievement of our mission to improve oral health. During the last eight years, we have helped to provide more than $3.4 million in free oral healthcare to over 8,800 underserved children as a lead and founding sponsor of Give Kids A Smile. We have educated over 600,000 elementary school children in Missouri since 2002 with our educational health theatre program, *Land of Smiles*, and we have awarded full scholarships to dental students for three highly deserving, aspiring dentists. We also began a journey to expand the Delta Dental Health Theatre to become a premier children’s health museum.

As I look to my future, I will be ever grateful for my time at Delta Dental. It’s been my honor and privilege to serve as President and CEO for the past nine years. I am thankful for the good work of our participating dentists, producers, board members, client partners and especially employees, our “homegrown heroes,” who have made our successes possible.

I am thrilled with the selection of David Haynes as our new President and CEO, who assumed the helm on January 18, 2010. I look forward to Delta Dental of Missouri’s bright future.

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1. Essex Dental Benefits, Bridgeport Dental Services, DeniServ and Advantica EyeCare 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.

From the very beginning in 1954, Delta Dental Plans Association led the nation as a pre-paid benefits company. Now, with more than 50 years of continuous growth as the market leader, Delta Dental is recognized as the premier dental benefits company by more corporate benefits decision-makers, benefits consultants, dentists and consumers than any other dental benefits provider.

Delta Dental has achieved exceptional performance on issues most important to our client partners, in particular our uniquely expansive national networks of participating dentists. Nationally, Delta Dental has the largest fee-for-service network, Delta Dental Premier, with more than 132,900 dentists practicing in 203,700 locations. Four out of five practicing dentists participate nationally in Delta Dental Premier. Delta Dental also has the largest national PPO network, Delta Dental PPO, with more than 72,700 dentists practicing in over 125,000 locations. Together Delta Dental’s two networks provide care for over 54 million Americans working in 89,000 companies. Almost one third of Americans with dental coverage select Delta Dental.

Our two networks are critical to our ability to deliver quality care while maximizing cost savings for our clients and their employees. With more participating dentists, members are more likely to visit a dentist of their choice while receiving the advantages of a negotiated fee structure. This saves the employer more money on claims costs and saves the employee more on out-of-pocket expenses.

The protection of two networks

Here’s why the two-network system works best. Most employers buy PPO plans; however, most dentists do not participate in PPO plans. Therefore, odds are very good that many employees covered by a dental benefits plan other than Delta Dental will not have fee protection when they visit their out-of-network dentist.

With Delta Dental, the employer can include the Delta Dental Premier network, with negotiated fees, as back-up cost protection for Delta Dental’s PPO network. Delta Dental’s Premier network includes over 80 percent of dentists nationally and over 94 percent of dentists in Missouri. Very simply, this kind of cost protection for employers and employees is something that no other dental benefits company provides. We have led the industry in network protection for decades.

3. 2008 Brand Awareness Study, Long Group

Erwin Orendain ~ Information Systems
Marilyn Mana ~ Underwriting
Tanya Shaw ~ Marketing
**Product innovation**

When it comes to dental benefits plans, one size does not fit all. With Delta Dental of Missouri, it doesn’t have to. We offer a variety of products designed specifically to meet the needs of our employer groups, their employees and also individuals in Missouri.

**Brush Biopsy℠**

Beginning in 2005, Delta Dental of Missouri was among the first nationally to introduce the Brush Biopsy benefits option to provide coverage for a new diagnostic test for the early detection of oral cancer. To this day, Brush Biopsy is recognized more often than any other procedure as a useful, reliable tool for early detection of oral cancer. With early detection, 5-year survival rates for oral cancer increase from 50 percent to over 80 percent.

**Healthy Smiles, Healthy Lives℠ Benefits**

In 2007, Delta Dental introduced an evidence-based benefits design option, Healthy Smiles, Healthy Lives (HSHL) Benefits, that provides additional cleanings for individuals at risk for certain health conditions. HSHL Benefits offers up to four cleanings each year to individuals who have a history of periodontal disease, have a suppressed immune system, are undergoing treatment for cancer, have had an organ transplant, are on dialysis or are pregnant.

**MAXAdvantage℠ Benefit Option**

In 2008, MAXAdvantage, another new benefit option focused on prevention, was launched. MAXAdvantage stretches the coverage of the annual plan year benefit maximum by no longer reducing the annual maximum for most costs associated with routine exams and cleanings.

**Group Vision Coverage – DeltaVision®**

In 2010, we will introduce a group vision plan, DeltaVision, that will provide quality, affordable and comprehensive vision coverage. We will offer the responsive administration, flexibility and service support that our clients have learned to expect from Delta Dental.

**SmileChoice℠ Individual Dental Benefits**

In February of 2010, we introduced a new individual dental benefits plan, SmileChoice. SmileChoice offers comprehensive dental coverage at affordable rates. This is good news because research has shown that individuals with dental insurance are more than twice as likely as those without dental coverage to obtain regular, preventive care.4

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4. 2009 Retail Dental Insurance Consumer Acceptance, Long Group
Unrivaled claims processing and analysis

Our claims processing and administration system, aQDen, is continually upgraded to incorporate more information management and design flexibility. In 2008, for example, we upgraded our billing module, reducing client invoice generation to a fraction of the time. Upgrades developed in 2009, to be launched early in 2010, will enable more flexibility for customized benefits designs and processing policies.

The “greening” of information processing

Information technology improvements are always top-of-mind at Delta Dental. In the last few years, we put major emphasis on automating routine processes and procedures through technological advancements. We have a considerable effort underway to “green” our technology footprint. Five years ago 46 percent of dental claims were submitted electronically to Delta Dental. Today, over 63 percent are electronic and this number increases as more “green” technologies are accepted in the provider offices and as our internal processes improve. More recently we integrated the electronic submission of x-rays and attachments to further “green” claims submissions.

In 2010 and beyond, we are working to fully launch online predeterminations and automated clearinghouse (ACH) payments to dentists. Internally, our information systems team is working on a virtualization project by condensing the number of servers housed in our offices. Once complete, we will reduce the amount of energy consumption by more than one-third, which will also reduce operating costs. Lastly, all unused and decommissioned hardware is properly recycled down to a component level using an EPA-approved vendor.

walking the walk.

Steve made many contributions to Delta Dental Plans Association (DDPA) during his tenure at Delta Dental of Missouri, both as a CEO and as a member of our board of directors and various committees. From 2006 to 2008, Steve chaired the DeltaUSA Board of Directors and he has been a long-standing member of DDPA’s Audit & Finance Committee. His leadership and contributions helped the national association navigate through several difficult business challenges.

Kim Volk
President and CEO of Delta Dental Plans Association
Improving actuarial precision

In 2009, we brought our actuarial function in-house with the addition of Vice President of Actuarial Services, Rob Goren. We strengthened our ability to provide precise pricing and also data intelligence to our clients. Rob brings 15 years of industry expertise to our team. He immediately began building the department’s capabilities to increase our flexibility and enhance the data intelligence we offer clients. Using more sophisticated rating methodologies and models, Rob’s talents promise to add new dimensions of accuracy and insight to our pricing. He will also innovate new reporting for clients on utilization and on the positive impacts of benefit coverage for our clients, such as better health, improved productivity and lower healthcare costs.

homegrown heroes.

Nancy Tank has been volunteering for eight years with ALIVE (Alternatives for Living in Violent Environments), an organization that provides individuals impacted by domestic abuse with counseling, emergency sanctuary, court advocacy and more. ALIVE also works to educate the community about domestic abuse.

“I feel absolutely blessed, especially when working in these charitable organizations and seeing what others go through. It puts things in perspective. It is my pleasure and my family’s pleasure to be able to help.”

Nancy Tank
Marketing
Performance Standards

Our philosophy of service has always been, “excellence is our standard; perfection is our goal.” We demonstrate that mentality in a number of ways. Delta Dental of Missouri sets performance standards on issues critical to our clients. For example, we have instituted standards for how quickly we answer phone calls, how responsive we are to resolving customer issues and questions, how satisfied our clients and members are with our service, how satisfied members are with their dental visits, the speed with which we process claims, the time frame for issuing payments on submitted claims, the technical and financial accuracy of claims payments and more.

Solution-focused

We pay particular attention to the experience of members and clients who have a question or a problem. It takes quite a bit of organization and the latest technology to make sure that the right information, updated and accurate, is available quickly when a customer calls Benefit24 or uses Benefit24 Online. We ensure a positive experience for customers who choose personal service. In 2009, calls coming into customer service were answered within an average of 11 seconds, representing 93.5 percent of calls answered within 30 seconds and an abandon rate of .36 percent. We created solutions for customers on the first call over 99 percent of the time.

Guarantee of Service Excellence

More than a decade ago, we were among the first in the dental benefits industry to develop service guarantees. Our “Guarantees of Service Excellence” promise our clients and their members that we will meet expectations on key service areas, as defined by the client, or pay the client if and when we do not meet service goals. Often guarantees include measurable performance goals for prompt and accurate issuance of ID cards, smooth implementation of services, fast response time on client and member requests and accurate claims processing.

We lead the industry in service excellence and we never rest on our laurels. All members of our customer service team receive ongoing training on technology and soft skills. We also select only those employees who are well-suited and enthused about providing personal service to our members, our dentists and their staffs. This has been a successful approach. This year, as in past years, callers contacting our customer service area were satisfied over 98 percent of the time. Our employees are also satisfied with their role. The average tenure in both our customer service and group accounts departments is almost fifteen years.
Prevention saves lives and money

We help reduce dental care costs with our emphasis on preventive care. We believe that every dollar spent on preventive measures has the potential to save even more money by avoiding costs down the road for restorative and major care. Research increasingly reports on the potential relationship between an individual’s oral health and overall health. For example, oral health problems such as periodontal disease are related to complications from systemic health conditions such as diabetes and cardiovascular disease. In a recent review conducted by the University of Michigan School of Dentistry for Delta Dental Plans Association, advisors reviewing multiple research studies concluded that people with gum disease are up to two times more likely to have cardiovascular disease. Although this does not prove cause and effect, it does suggest a relationship.

Delta Dental’s National Scientific Advisory Board, a panel of internationally recognized scholars, stays abreast of the latest research on the overall health impacts of oral health. With scientific review as an organizational priority we are able to lead with benefits and clinical innovations.

Strategy enhances results

As a strategic partner for our clients, Delta Dental provides value with benefits performance analysis and benefits strategic planning. We offer many client partners quarterly reporting on demographics, trends and utilization, with an annual strategic benefits review. Our goal is to utilize insightful analysis of data to improve benefits design, cost management and long-term health outcomes. In 2009 we improved strategic reporting with the automation of several key reports and new report designs. We also continue to develop our claims data warehouse to begin to model and predict the long-term outcomes of dental treatments.

5. December 2009, Associations between Periodontal Disease and Cardiovascular Disease, DDPA and University of Michigan School of Dentistry

Steve Gaal has been a friend and supporter of Give Kids a Smile since our inception. Through his generous gifts of resources, time and talent we have been able to help thousands of children in need of care. He has led Delta Dental into a new era of dentistry that has required him to be a visionary leader as well as a sharp businessman. We at Give Kids a Smile wish him all the best in his retirement and future endeavors.

Tom Flavin, DDS
General Dentist and President of Give Kids A Smile

walking the walk.

re: Steve Gaal

Steve Gaal has been a friend and supporter of Give Kids A Smile since our inception. Through his generous gifts of resources, time and talent we have been able to help thousands of children in need of care. He has led Delta Dental into a new era of dentistry that has required him to be a visionary leader as well as a sharp businessman. We at Give Kids A Smile wish him all the best in his retirement and future endeavors.

Tom Flavin, DDS
General Dentist and President of Give Kids A Smile
A culture of caring
As a non-profit organization, we are a different kind of dental benefits company. Beyond our commitment to continue to grow as a financially strong company, we are motivated by our desire to give back to the community. We strive to live our mission to improve oral health and overall health in the communities we serve.

A commitment to employees
Employee satisfaction is a priority. We want employees to feel a part of something larger, something important. We also want them to be able to pursue their career goals and nurture their talents. One example of our commitment to employees is our educational benefits. Our employees can pursue their educational goals at any university in career-related courses of study and, with good grades, receive up to one hundred percent reimbursement.

We are committed to employee health and wellness. One example of this commitment is our Weight Watchers program. Delta Dental covers half of the program membership fees for employees. We were proud that Weight Watchers members lost a collective 1,560 pounds during the 2009 sessions.

We listen to our employees by providing them with opportunities to voice their opinion, both publicly and confidentially. These options include our “From the Heart” submissions in our employee newsletter, a suggestion box, our “KEYS” (Key Elements Yield Success) idea program and our “ACE” program (Always Committed to Excellence) in which employees recognize peers for excellent service. In 2009 we formed an employee task force to develop recommendations for improving our corporate culture.

Internal Service Commitment
Several years ago, we formalized our commitment to serving each other within the organization with our internal G.S.E. program. Modeled after the Guarantees of Service Excellence for clients, we committed to follow the “golden rule” of mutual respect for each other and to respond promptly to internal requests for information and support. We renew this commitment each year.

Maureen O’Neill has been volunteering for almost two years with TASK (Team Activities for Special Kids), a year-round instructional sports program for children with special needs.

Working with people with disabilities makes me want to be a better person. They never see themselves as different. They challenge themselves every day and always do it with a joy of life that is inspiring. They teach you that the small things are what matters.

Maureen O’Neill
Marketing

homegrown heroes.
P.A.N.D.A. (Prevent Abuse and Neglect through Dental Awareness)

Several years ago, Delta Dental of Missouri founded a program to teach dental professionals to recognize the symptoms of child abuse and to fulfill their legal obligation to report child abuse. The program, named P.A.N.D.A. (Prevent Abuse and Neglect through Dental Awareness), has trained hundreds of dental professionals. P.A.N.D.A. has also been adopted by other Delta Dental member companies and has expanded into over forty states and six foreign countries.

Give Kids A Smile

In 2002, Delta Dental became a founding sponsor for the first Give Kids A Smile clinic, and we remain a primary sponsor. Give Kids A Smile is a non-profit organization that provides free, comprehensive dental care for underserved children during two free clinics each year. Since its inception in 2002, Give Kids A Smile has provided care totaling almost $3.4 million for more than 8,800 children. Give Kids A Smile also provides audiology screenings, Tiny Smiles health screenings for children under age 5 and Smile Factories to provide extended care for more serious oral health cases.

Land of Smiles

The Land of Smiles program visits over 300 Missouri schools each year, educating over 70,000 young children annually. Since its inception in 2002, Land of Smiles has educated over 600,000 children at schools and civic events. Delta Dental makes a significant investment in teaching children good oral health habits. In 2009, Delta Dental was a finalist in the annual PRNews Non-Profit Awards competition to recognize non-profit organizations for exceptional community programs.

Delta Dental Health Theatre

In 2004, Delta Dental of Missouri became a primary, permanent sponsor of the Delta Dental Health Theatre (DDHT), formerly the Dental Health Theatre. Our support helped to extend the life and impact of the non-profit Dental Health Theatre which was founded in 1977. DDHT and Delta Dental have worked over the past two years to develop new shows and programs to enhance the learning experience for young audiences.

In 2011 we hope the plans for a new, much larger St. Louis location will be realized as the doors open on the Land of Smiles, Home of the Delta Dental Health Theatre. The new theatre will feature expanded programming, educators and interactive exhibits to encourage children and their families to adopt healthier lifestyles.
Delta Dental, the St. Louis Cardinals and others, such as Whole Foods, St. Louis Kids Magazine and the St. Louis County Library, rallied behind Delta Dental of Missouri’s SmilesLEAGUE fundraising initiative in the summer of 2009. During the SmilesLEAGUE campaign, over 10,000 area residents purchased raffle tickets online at www.smilesleague.com, through select participating retail locations and from hardworking volunteers at Cardinals games.

In a little over a month, Delta Dental raised $35,000 for program sponsors: Cardinals Care, the Delta Dental Health Theatre, Give Kids A Smile, the Pujols Family Foundation and the St. Louis County Library Foundation. Delta Dental presented a check to representatives of the five charities at a St. Louis Cardinals game in September.

Beth Zumwalt has been working for 20 years with the Boy Scouts of America (BSA), one of the nation’s largest and most prominent values-based youth development organizations. The BSA builds character, trains citizenship and develops personal fitness.

“I think that there is a need in all of us to be accepted and appreciated for what we can contribute to others. Volunteering helps meet that need; it helps me feel that I’ve contributed to the future of our community. It helps me stay focused on what’s important and makes me grow.”

Beth Zumwalt
Corporate Services

homegrownheroes.
Since 2007, Delta Dental began sponsoring an annual competition that has since awarded a full dental scholarship to the School of Dentistry at University of Missouri-Kansas City to three qualified students. Each of these students will commit their first three years in practice to an underserved area in the state. Winning students, also “homegrown heroes,” include:

2007

Emily Johnson ~ graduated from Truman State University with a Bachelor in Health Science and a minor in Spanish and Biology.

2008

Jared Beaird ~ graduated from Missouri State University with a Bachelor of Science in Cell and Molecular Biology and a minor in Chemistry.

2009

Jessica Monroe ~ graduated from University of Missouri in Columbia with a Bachelor of Arts degree in Biology with departmental honors.

Karen Thrasher has been volunteering for two years at the Ronald McDonald House family room at St. Louis Children’s Hospital, a private refuge for families and friends of children in the hospital.

“I’m amazed at the efforts Ronald McDonald House undertakes to make life easier for the families of sick children. I’m lucky to be a part of it. I’ve had good nights, bad nights and absolutely great nights. But no matter what kind of night I’ve had, when I leave, I always feel I received more than I gave.”

Karen Thrasher
Group Accounts

Dental Scholarships

Since 2007, Delta Dental began sponsoring an annual competition that has since awarded a full dental scholarship to the School of Dentistry at University of Missouri-Kansas City to three qualified students. Each of these students will commit their first three years in practice to an underserved area in the state. Winning students, also “homegrown heroes,” include:
We are proud that in a challenging economic environment we were able to surpass our revenue goals, maintain efficient operating results and continue to hire to fill new positions without any layoffs. We are grateful for strong results in a very tough year.

We are happy to have acquired many new client partners in 2009, including: Solae; Barry-Wehmiller; CSK Auto, a subsidiary of O’Reilly Auto Parts; National and Alamo, subsidiaries of Enterprise Holdings, Inc.; H&R Block; Richland County Government; KCATA; and multiple health ministries within Ascension Health. We anticipate a bright future working together with all clients to maximize the value of every premium dollar spent for both employers and employees. We value our clients and make it a point to keep our partnerships strong.

We are particularly proud that we again leveraged our strong technology and human resource assets to maintain efficiency as we grow. Currently, less than 7.5 cents of every dollar in premium and fee revenue pays for administration. Our clients also benefit from our technology. Over 8 in 10 (85 percent) of claims are “drop to pay,” which means human intervention is at a minimum and processing is faster and more responsive.

Delta Dental of Missouri continues to explore new opportunities for profitable growth compatible with our business strategies and our mission to improve oral health and overall health.

walking the walk.

“For years Steve Gaal has been a faithful participant in the King’s Men, an auxiliary of the Rural Parish Workers that hosts an annual dinner for the benefit of the Rural Parish Workers. Each year for the past seven years during our Christmas distribution program, Delta Dental has adopted families providing them with toys and gifts.”

Natalie Villmer
Directress of the Rural Parish Workers
As we grow and diversify, we will continue to reinvest in charitable efforts that benefit the oral health and overall health of area children and families. We are committed to leadership, service and community support. The commitment to caring permeates our culture. As a company, we support many charitable efforts including the United Way, March of Dimes, Race for the Cure and Old Newsboys Day. We have also been instrumental in developing oral health outreach efforts such as Give Kids A Smile, Land of Smiles and the Delta Dental Health Theatre. These commitments create a sense of purpose. They define our company.

For more than five years, Denny Lowry has served on the board of directors for Harris House, which helps individuals recover from alcohol and chemical dependencies.

“I think we have all been blessed. The saying at Harris House is, ‘in order to keep what you have, you have to give it away.’ It is not about material things. It is about family, friends and our blessings... Volunteering allows me to have that peace of mind that I am giving back. It all comes from my dad, Bill. He is my mentor.”

Denny Lowry
Finance
The Statement of Financial Position includes the accounts and results of operations of Delta Dental of Missouri and its subsidiaries: Bridgeport Dental Services, DeniServ, Essex Dental Benefits and Essex Benefits Insurance Company. The consolidated financial statements of Delta Dental of Missouri as of, and for the years ended, December 31, 2009 and 2008 were audited by BKD, LLP.
2009 Board of Directors

1. Richard J. Haffner, DDS  
   St. Louis, Missouri
2. Guy P. Bates, Jr., DDS  
   Springfield, Missouri
3. Melvin Bloom, CPA  
   Retired, Senior Partner  
   Hochschild, Bloom & Company  
   Chesterfield, Missouri
4. Ollie Fisher, DMD  
   St. Louis, Missouri
5. Steve P. Gaal, III  
   President and CEO  
   Delta Dental of Missouri  
   St. Louis, Missouri
6. Dee A. Joyner  
   Senior Vice President  
   Commerce Bank, Clayton, Missouri
7. Shanon T. Kirchhoff, DDS  
   Cape Girardeau, Missouri
8. Edward C. Robison, DDS  
   Warrensburg, Missouri
9. H.R. (Mick) Redohl  
   President Emeritus  
   AAIM Management Association  
   St. Louis, Missouri
10. Robert M. Tait, DDS  
    Grandview, Missouri
    Retired, Senior Partner  
    Boyden  
    Chesterfield, Missouri
12. Kenneth L. Worley  
    Retired, Director  
    UAW Region 5, Fortuna, Missouri

Not Pictured

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

Board Officers

1. Richard J. Haffner, DDS  
   Chairman of the Board
2. Robert M. Tait, DDS  
   First Vice Chairman
3. Edward C. Robison, DDS  
   Second Vice Chairman
4. Dee A. Joyner  
   Treasurer
5. William Tunney, Jr.  
   Secretary

Officers

Steve P. Gaal, III  
President and Chief Executive Officer

David W. Haynes  
Chief Financial Officer,  
Assistant Treasurer

Rob Goren  
Vice President Actuarial and  
Underwriting

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
We have many employees who volunteer time and effort in their own communities. Look for just a few of Delta Dental’s "homegrown heroes" sprinkled throughout this year’s annual report.