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2012 Calendar

Please note our office will be closed the following dates:
Monday, January 2
Monday, January 16
Monday, February 20

First Impressions Schedule:
Winter
Summer
Fall

New Program. New Premier Patients.

As we look forward to 2012 I would like to mention a few of the significant Delta Dental of Arizona accomplishments of the last twelve months, and comment on how I believe our company is well positioned for the coming year.

This past year brought about significant change for Delta Dental of Arizona and many of its stakeholders: our member dentists; the consultants and brokers selling our products; the employers and their employees purchasing our products; and even our own employees.

It all started with new leadership. I joined Delta Dental as its President and CEO on January 3 and began learning about the Arizona market and competitive landscape upon my arrival. I quickly came to appreciate and understand the company’s rich history, the strong dentist networks and exceptional operating capabilities that set Delta Dental of Arizona apart as the top dental insurer in the state backed by the power and value of the Delta Dental brand across the country.

Early on I began assessing the company’s competitive position, and the market forces at play which had begun to threaten, and put downward pressure on, Delta Dental of Arizona’s number one market position. The assessment confirmed our experience that the lingering recession had forced employers to re-examine and re-value their employee benefit decisions. And while our competitors responded to employer demands, Delta Dental's subscribership had begun to decline.

During 2011 the board of directors and management took significant steps to stop that trend and ensure Delta Dental of Arizona would not only maintain, but strengthen, its market leader position. In April, the Passive PPO plan was re-released while, as I indicated in my comments at the April 15 annual meeting, the company began investigating how we could restore our competitive edge by

continued on page 2
New Program. More Benefits.

continued from page 1

enhancing and expanding plans, and offering them at attractive price points without negatively impacting our member dentists. As a result of that work, on August 26, we announced a new Dual Choice program designed to: increase Premier reimbursement by increasing filed fees for selected procedures; enhance Premier plan benefits and, introduce an affordable, market responsive PPO product for Arizona employers.

I am now pleased to report that, although the Dual Choice program was only launched in September, we are already seeing significant market acceptance and are increasing subscribership. Enrollments from new sales of the Dual Choice program are being received every day.

- As of the date of this writing, 970 new enrollees have joined the Premier plan.
- The number of enrollees choosing the enhanced Premier plan is exceeding expectations.
- These 970 new Premier enrollees represent almost half of all new enrollments within the Dual Choice program.
- Delta Dental is putting new Premier patients in your office and that has not happened in a significant way since December, 2008.

This new business is only made possible by having a PPO plan available for Arizona employers. The PPO offering has opened new doors to Arizona companies which here-to-fore Delta Dental of Arizona was unable to reach. Finally, we have been able to accomplish these objectives without lowering reimbursement to you, our Premier dentists!

While there were many other accomplishments in 2011 which I will share in the future, for now I want to emphasize what I think matters most. And that is seeing to it that more Arizonans receive high quality oral health care from Delta Dental member dentists. I think we’ve made significant progress toward that objective and have laid a foundation to do even more in 2012.

Thank you all for your continued support of Delta Dental of Arizona and, on behalf of all of us, we wish you and yours a healthy and prosperous 2012.

Best Wishes,

Allan

Investing in you.....$3 million

In 2011, the lagging economy and lower patient utilization resulted in a higher level of profitability for Delta Dental of Arizona than forecast. As a result, and in stark contrast to competing carriers, we are increasing filed fees by a total of $1.3 million dollars during 2012, demonstrating our ongoing commitment to pay member dentists the highest level of reimbursement possible in this challenging fiscal environment. This increase fulfills one of the three strategic initiatives identified in the letter sent by Allan Allford, President and CEO in August 2011.

While not all dentists will see an increase in their filed fees, the company’s approach raises reimbursement for as many procedure codes as possible. These increases will impact 224 unique procedures and a total of 6,485 filed fees, and take effect January 1, 2012.

Most dentists will see an increase in filed fees, although some will be greater than others depending on their patient base and practice. It is also important to note that there will be no decreases to any Premier filed fees or Maximum Reimbursement Amount (MRA) values. Additionally, the Delta Dental PPO fee schedule remains the same. There will be no decreases.

In addition to the $1.3 million dedicated to increasing filed fees, it is also a priority to increase enrollment for the Premier insurance plan. Our new program, Dual Choice, increased the number of covered services for subscribers choosing our enhanced Premier plan. These added Premier benefits, costing upwards of $1.7 million dollars, are being paid by Delta Dental of Arizona, not by patients, not by employer groups, and not by member dentists. These combined efforts, totaling $3 million dollars, are being invested back into your practice by increasing the number of new Premier patients, and adding to your filed fees.

No action is required by you to see this increase to your reimbursement. Fee filings will not be processed for 2012. Continue to submit your usual and customary charges and we will make the adjustments to your reimbursement payment. You can obtain a copy of a report listing your filed fees beginning January 1, 2012, by visiting our website at www.deltadentalaz.com/dentists and requesting an electronic copy of the report highlighting the filed fees for each location where you practice. Feel free to contact us at 866-746-1834 option 5 to reach a Professional Relations representative.

Committed to providing quality dental insurance plans to Arizonans, Delta Dental of Arizona strives to provide insurance products which balance the needs of all stakeholders. Both the increase to filed fees and the investment for enhanced Premier plan benefits are tangible results of that commitment.

www.deltadentalaz.com
NEA offering discounts to Delta Dental of Arizona Providers

The FastAttach system expedites the transmission and review of important documentation such as x-rays, EOBs, perio-charting, etc. in support of electronic claims processing. For a low flat monthly fee you will get unlimited attachment transmissions to Delta Dental of Arizona and over 500 other payors (no per attachment fee).

FastAttach is more than just an electronic attachment transmission service. It is a way to manage your attachments. Instead of wasting time sending unnecessary attachments, you can use a unique feature of FastAttach called FastLook.

This feature will provide you with the attachment requirements for procedure codes. The attachments transmitted using FastAttach will automatically create a tracking number, which provides confirmation of receipt and a tracking mechanism for those attachments. All transmitted attachments can be viewed online in the patient attachment history via any computer with Internet access. You can even securely share attachments with other dental offices and be within HIPAA regulations. NEA provides unlimited customer service and training for those capabilities and more at no additional charge.

HERE IS YOUR PROMOTION

NEA is offering Delta Dental of Arizona providers a special promotion for FastAttach. When registering, use the promotion code DDAZFBDS and your office will not have to pay the $200 Registration fee and you will not have to pay the monthly $25 fee until May 31, 2012. The earlier you register the more savings you will experience from this great promotion.

<table>
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<th>Total Savings</th>
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<tr>
<td>February, 2012</td>
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To learn more about National Electronic Attachment’s (NEA) Dental Services, go to www.nea-fast.com. From there, you can browse the NEA website for additional information, view videos by clicking “Learn More”, and register online by clicking the “Provider Registration” button. If you prefer to talk to a NEA Representative, call 800-782-5150 opt 2.

FastAttach is the SIMPLE way to:

- Eliminate Lost or Damaged Attachments
- Improve Your Payment Cycle
- Save on Postage and Printing Costs
- Reduce Your Follow Up With Payors
- Stop Sending Unnecessary Attachments With Claims
Patient Discount on Claim Forms

Be Sure to Disclose All Patient Discounts on Claim Forms

You must indicate any discounts you gave your patient clearly on the face of the claim form or in the notes field of the electronic claim. The discount must be applied so that the net fee submitted to DDAZ and the net fee charged to the patient are both reduced. You may offer patient’s discount coupons for services or procedures. However, the claims submitted must reflect the discounted fees.

Regularly offering discounts or coupons can affect your usual fee. Failure to disclose discounts or the use of coupons is one of the unacceptable billing practices reviewed during the claim verification process (see the Contract Compliance Review section of your Participating Dentist Manual). Failure to disclose discounts or coupons can result in overpayments that are recoverable. If a claim form is intentionally submitted without disclosed discounts or coupon use, it can be considered a fraudulent attempt to gain overpayment of benefits. Please refer to Arizona Revised Statute 32-1201 12(f).

EXAMPLE - How to disclose patient discounts on claim forms

Suppose your usual fee for a complete maxillary denture is $1,000, but you offer a patient a $100 discount. You will need to:

Reduce your submitted fee by the $100 and state the discounted amount of $900 in the box 31 fee section.

Using Dental Groupons

Protect yourself from potential federal consequences

In November, the ADA released an article online titled, “Dental Groupons, incentives” that discussed possible consequences of violating the federal anti-kickback statute. While this varies by state, you are encouraged to visit www.ada.org to read this article in entirety and protect yourself by knowing state regulations and federal laws. You can also refer to the Arizona State Board of Dental Examiners website to review current language of statutes that directly pertain to referral fees at http://www.azdentalboard.us/statutes.html.

Materials and Laboratory fees

Material and lab costs are not chargeable to the patient.

Delta Dental has taken into consideration the cost involved for materials and lab services when establishing the MRA for all ADA recognized dental procedure codes.

A Delta Dental member cannot be billed a separate charge for materials and/or lab costs since Delta Dental considered them inclusive of a definite procedure.

Providing patients with the highest quality of care for their money.

Dr. Tim Wilson hits the big screen

Halloween kicked off the holiday season as a fun and festive time to enjoy tricks and treats, giving Delta Dental of AZ Foundation the perfect opportunity to promote good oral health. This past Hallow’s Eve, NBC Channel 12 had the honor of chatting with Dr. Tim Wilson, Foundation Board Member and President of the Arizona Chapter of the American Academy of Pediatric Dentistry. Dr. Wilson illustrated how parents can support healthy habits with their kids not only during Halloween, but throughout the year. He also shared with Joe Dana what he gave out for Halloween.

Could using Groupon be illegal?

“If it’s sticky & sweet, it’s a yucky treat.”

Be sure to check out Dr. Wilson on Delta Dental of Arizona’s YouTube channel at www.youtube.com/DeltaDentalAZ.
Philips Sonicare EasyClean

Philips Sonicare's EasyClean toothbrush removes 2x more plaque than a manual toothbrush:

**FEATURES INCLUDE:**
- EasyClean handle
- Standard brush head
- Charger base
- Hygienic travel cup

**PRICING:**
- Philips Sonicare Direct $49.95
- Delta Dental: $42.95

Philips Sonicare for Kids

Rechargeable electronic toothbrush for kids ages 4 to 10, including two kid-friendly power modes for different developmental phases.

**FEATURES INCLUDE:**
- Kid-friendly power modes
- KidTimer promotes 2-minute brushing
- Two distinct brush head sizes
- Ergonomic handle
- Fun interchangeable front panels
- Charger base with brush head holder

**PRICING:**
- Philips Sonicare Direct $49.95
- Delta Dental: $39.95

Philips Sonicare ProResults Repl. Brush Heads

Standard & Compact

**PRICING:**
- Philips Sonicare Direct $20.95
- Delta Dental: $13.95

Philips Sonicare DiamondClean Repl. Brush Heads

Standard & Compact

**PRICING:**
- Philips Sonicare Direct $26.95
- Delta Dental: $21.95

Philips Sonicare Sensitive Repl. Brush Heads

Standard

**PRICING:**
- Philips Sonicare Direct $20.95
- Delta Dental: $13.95

Philips Sonicare eSeries Repl. Brush Heads

Standard & Compact

Fits: Essence, Elite, and Advance Handles

**PRICING:**
- Philips Sonicare Direct $20.95
- Delta Dental: $13.95

Philips Sonicare For Kids Repl. Brush Heads

Standard & Compact

**PRICING:**
- Philips Sonicare Direct $14.95
- Delta Dental: $10.95

Philips Sonicare AirFloss Repl Nozzles

Standard

**PRICING:**
- Philips Sonicare Direct $5.95
- Delta Dental: $5.95

This program is provided as a courtesy to participating dentists. Neither Delta Dental Plans Association nor its member companies is affiliated with or is sponsored or endorsed by Philips Sonicare, or its products, and neither makes any representations, provides any warranties, or shall any liability or responsibility relating to the use of such products.
New and Popular Philips Sonicare Products

Save up to $13.00

Receive up to $13.00 off the Sonicare Direct price for these new and popular Philips Sonicare toothbrushes and accessories as part of the Delta Dental Value-Added program for participating dentists.

A minimum order of 6 toothbrushes is required to take advantage of this offer. For more details or to place an order, visit the dentist section of our website (www.deltadentalaz.com) or call Sonicare at 1-800-676-7664.

Philips Sonicare FlexCare+ or FlexCare+ with UV Sanitizer

Philips Sonicare’s most popular electronic toothbrush improves gum health in only 2 weeks.

FEATURES INCLUDE:

- 5 brushing modes, including a sensitive mode
- Quadpacer & Smartimer
- Illuminated display
- 3-week battery life, ideal for travel
- Two brush head sizes
- Charger base with brush head holder
- Travel case

PRICING WITHOUT SANITIZER:

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PRICING WITH SANITIZER:

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Philips Sonicare AirFloss

An easier way to floss. Gently and effectively improves oral health

FEATURES INCLUDE:

- Floss your whole mouth in 60 seconds
- Simple: point and press - deeply clean between your teeth with one press
- Fast: cleaning in 60 seconds - angled nozzle with guided placement tip
- Effective: removes 99% more plaque* air and microdroplet technology removes plaque in a single burst

PRICING:

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Philips Sonicare DiamondClean

The ultimate Sonicare toothbrush. Removes 4x more plaque than a manual toothbrush after 4 weeks.

FEATURES INCLUDE:

- 5 brushing modes: Clean, White, Polish, Gum Care, and Sensitive
- Diamond-shaped bristles provide exceptional cleaning and whiten teeth in 1 week
- Quadpacer & Smartimer
- Dual-charging option include a unique charging glass for home and a USB charging travel case
- 3 week battery life

PRICING:

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First Impressions

Delta Dental of Arizona Provider Newsletter

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DDAZ Welcomes Our New Groups

3pm USA, Inc.*
All Saints Episcopal Day School
AllerVision, LLC
American Basic Schools, LLC
Anesthesia Resources, Ltd.
Apache Behavioral Health Services, Inc.
Arizona Association of Community Health Centers (AACH)
Arizona Estate Liquidators
AZ Air Time, LLC
Birch Construction, Inc.
Breckenridge Group, Inc.
Byrne & Shaw, PLLC
Choyce Products, Inc.
Coile Law Offices, P.C.*
DentiMax, LLC
Desert Ribs, LLC
Desert View Family Clinic Corp. dba Desert View Pediatrics
Diamond Care
Duas Sorores, Inc. dba Attentive Home Health
Efficient Enterprise Engineering, Inc. (Exy)
Elizabeth J. McConnell M.D., PLC*
Ely Bettini Ulman & Rosenblatt
Emerging Benefit Consultants
Encompass Health Services
Enertron, Inc.
Executive Professional Insurance Consultants, PLLC
Farm Sources International Holdings, LLC
G & C Glass, Inc.
Grand Canyon Business Solutions, Inc.
Hastings & Hastings, PC*
Healthcare Trust of America, Inc.
Hillside Animal Hospital
Hozhoni Foundation, Inc.*
In Position Technologies, LLC*
Innovative Wine Cellar Designs Integrity Networks, Inc.
Judith E. Riley M.D., PLC*
Karber Mechanical Insulation, Inc.
Kennedy Design Build, LLC
Knowlton Towing, Inc.
Latitude Catering
Lil World Daycare Preschools, LLC*
Longevity Plus
Mark Shelley dba Mark Shelley CPA
Martin A. Feldman D.O. P.C.
Mineralogical Record
National Laser Institute, LLC
New West Lending, Inc.*
New West Oil Company, LLC*
Noah’s Ark Pediatrics*
O’Brien Insurance & Financial Services, LLC
Off Madison Ave.*
Padgett Insurance Agency, Inc.
Pathlight Investors
Pavement Marking, Inc.
Pavement Solutions, Inc.*
PharmaCare, LLC
Phoenix Physicians Services Pit VII, Inc.
Prescott Radiologists LLP*
Pueblo Nuevo Office Park, LLC*
Red Mountain Lighting, Inc.
Richard A. Kennedy CPA, PC
Sabrient Holdings, LLC
San Salvador Management, LLC
Scientific Commodities, Inc.
Scinet, Inc.
Scorpion Tech Termite & Pest Control, Inc.*
Scottsdale Family Physicians, PLLC
SeaVision, Inc.*
Sedona Chamber of Commerce, Inc.
Sonoran Integrations
Southwest Skin Specialists, Ltd
Southwest Solar Technologies, Inc.
Southwest Vascular Institute Ltd.
Sports Publications, Inc.
STORE Capital Advisors, LLC
Sunrise Crane Services, Inc.
Susan G. Komen Foundation
SV Probe, Inc.
Swan & Hercules Global Logistics USA, LLC
System Silicon, LLC
Tahl, Inc.
Tatum Ranch Community Association
The Law Office of Kenneth E. Moyer
Thompson Law Group, P.C.
Total Sports Therapy
Trueship
Unique Inc. dba Merestone United HR, Inc.*
Valley Primary Care Physicians, PLLC
Varsity Termite & Pest Control, LLC
Vista Control Systems Corp
VSEBT - Balsz Elementary School District #31
Webster Energy & Building Solutions, LLC
Western States Distributors, Inc.
Western Technical Services, Inc.
Westest, Inc.
William Dobridge, CPA PC
Xenon, Inc. dba ComForCare Senior Services - Scottsdale
Yavapai Unified Employee Benefit Trust

*Sold Dual Choice program

Now Heading Professional Relations

Craig Livesay was promoted earlier this year to the position of Vice President of Underwriting and Professional Relations. A valued member of the Arizona team, his career in the insurance industry began over 15 years ago with a national property and casualty insurance company before joining DDAZ as the Director of Underwriting eight years ago.

In this new position, Mr. Livesay’s chief responsibilities include oversight of the professional relations department, dental network management, regulatory compliance, pricing, reporting and financial oversight of all lines of insurance products.

An Arizona native, Craig was awarded a Bachelor of Science degree from Northern Arizona University and later earned a Master of Business Administration degree from the University of Phoenix. He lives in Scottsdale, Arizona with his wife and three sons. An enthusiastic volunteer, he serves on the board of directors of Keogh Health Connections and the DDAZF Golf Committee.

After a dozen years, Feldman moves on

In early November, Gary Feldman, Vice President at Delta Dental of Arizona left for a position with Abrazo Health Care in the Phoenix office as the Vice President of Business Development. Mr. Feldman was with Delta Dental of Arizona twelve years overseeing Sales and Broker Relations. DDAZ wishes him good luck and success in his new job.
Electronic Funds Transfer

Imagine life without claim checks, deposit slips, or bank lines. You can say good-bye to all those things when you sign up for Electronic Funds Transfer (EFT) with Delta Dental of Arizona. EFT allows Delta Dental to deposit claims payments directly into your practice’s bank account. The best part, it all happens automatically, without you ever having to leave your patient’s side!

EFT is FREE and available to all participating dentists in Arizona, whether you submit claims by paper, electronically, or via Benefits Connection.

Signing up is easy!

2. Click the link on the ‘Dentists’ tab on the home page.
3. Then click on the “Dentist Direct Deposit” link to download the instructions and the enrollment form.

Sign Up Today!

For more updates from Delta Dental of AZ, visit www.deltadentalaz.com.