For generations, Delta Dental has been focused on protecting smiles and keeping them healthy. And as we’ve grown, so have our philanthropic efforts. But with so many smiles, there’s only so much flossing, proper brushing techniques, and regular check ups the Tooth Fairy can do.

So to make sure we’re Making Smiles Happen for every member and organization we work with, we called in some legendary, elite help. Introducing our newest weapon…

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4. Letter from the President
6. Mission Statement
8. History
10. Community Involvement
12. Technology
14. Products
16. Financials
18. Board of Directors
Over the years Delta Dental of Kentucky has experienced lots of changes. But even with all of those changes, we have had a consistent track record of success, both in growth and financial strength. Today, we are the largest dental carrier in Kentucky. Our primary goal as a company is to provide excellent service to the employers, members, brokers, and dentists we serve. The client growth and retention we have experienced is proof of our success. And because of that success we now have a secondary goal of giving back to the communities we serve.

This focus enables us to make smiles happen beyond the core customers we serve every day. Our charitable contributions are making an impact in helping those in need, and our employees are giving countless hours of volunteer work. We are able to help people and organizations around the Commonwealth reach their goals.

Moving forward, we know we’re going to need extra help with our mission. That’s why we enlisted a true Master of the Dental Arts—the Tooth Ninja. While he might not be as elusive as other ninjas, his training in ancient plaque battling techniques and his charitable skills are unmatched.

We love smiles & we want to make sure they keep happening.

The Tooth Ninja is committed to helping Delta Dental provide the best dental coverage with an excellent level of service, giving back to the community and above all else, Making Smiles Happen.

Clifford T. Maesaka Jr.
President and Chief Executive Officer
OUR PURPOSE
Our core purpose is the advancement of oral health care for Kentuckians through our dental benefits programs and philanthropic efforts.

OUR CORE VALUES
DIVERSITY – We are committed to providing an environment in which all people, their ideas and their backgrounds are respected, supported and valued in a team environment.

COMMUNITY COMMITMENT – We support efforts to enhance the health and wellbeing of those in our communities.

INNOVATION – We encourage a culture of creativity and innovation to exceed customer expectations and keep our competitive edge in a fast-changing market.

BALANCE – We support the sharing of responsibilities across our Enterprise and believe that teamwork is essential to our success.

INTEGRITY – We treat others fairly and honestly and have the courage to do what is right.
Delta Dental of Kentucky was founded in 1966, when members of the Kentucky Dental Association organized the Kentucky Dental Service as a not-for-profit dental service corporation. In 1969, this corporation became part of the nationwide Delta Dental Plans Association based in Chicago, and the name changed to Delta Dental of Kentucky.

In 1971, Delta Dental of Kentucky formed an agreement with Blue Cross and Blue Shield of Kentucky to administer Delta Dental plans within the state. Blue Cross and Blue Shield of Kentucky then merged with the Indianapolis-based Associated Group (which operated as Blue Cross and Blue Shield of Indiana) in 1993, which became Anthem Blue Cross and Blue Shield in 1995.

On January 1, 1997, Delta Dental of Kentucky separated from Anthem Blue Cross and Blue Shield and began operating as an independent organization. In April 2006, the company moved into its new corporate headquarters in Louisville. The seven-story Delta Dental building features 105,000 square feet, and is designed to foster a family-friendly work environment that enhances employee job satisfaction and productivity. Delta Dental of Kentucky joined its affiliate states in 2009.

Delta Dental of Kentucky—with its affiliates in Arkansas, Indiana, Michigan, New Mexico, North Carolina, Ohio, and Tennessee—is part of a family of companies that collectively is among the largest dental plan administrators in the nation. In 2014, the Enterprise paid out more than $3 billion for dental care for 13.1 million enrollees.

Delta Dental of Kentucky is a member of the Delta Dental Plans Association, America’s largest, most experienced dental benefits system. Together, the plans provide coverage to more than 68 million Americans and operate the nation’s largest network of participating dentists.
GIVING BACK IS AT OUR CORE.

As a not-for-profit organization, Delta Dental of Kentucky is deeply committed to advancing oral health and overall health for individuals, children, and families in the communities we serve. To further our commitment, we established a new charitable initiative, Making Smiles Happen.

In 2015, Making Smiles Happen and Delta Dental of Kentucky awarded grants totaling more than $2.7 million to over 80 charitable organizations, including:

- Making Smiles Happen Statewide Surveillance Project, the first children’s oral health survey to be conducted in Kentucky since 2001. In partnership with Kentucky Youth Advocates (KYA) and the University of Louisville School of Dentistry, over 6,000 students in more than 60 elementary and middle schools across Kentucky will participate in an oral health screening and assessment. The findings will provide a benchmark and help shape policy and programs in oral health for children in the state for years to come.

- Blessings in a Backpack, which serves to close the weekend nutrition gap and feed 130 children at Kennedy Elementary and 204 children in Hazard County schools for three years. This represents over 36,000 nutritious meals for elementary children who might otherwise go hungry.

- Teeth-on-the-Go, our statewide oral health education program, caters to kindergarten through sixth-grade students and teachers. This program consists of our free Teeth-on-the-Go oral health learning kit and in-school presentations. The presentations feature University of Louisville and University of Kentucky dental students as well as our mascot, Marshall Molar.

We contributed to a variety of charitable organizations including Trooper Island, Fund for the Arts, USA Cares, the American Heart Association, Family and Children’s Place, Louisville Dental Society, Western Kentucky University’s mobile dental van, the University of Kentucky mobile dental van, and the Donated Dental Services program.

The Weapons
YOU NEED FOR A HEALTHY SMILE.
Technology

ENHANCING OUR CUSTOMER TOOLS

Oral health is an important part of maximizing a person’s total health. The Delta Dental mobile app makes it easier for members to make the most of their dental benefits.

The mobile app gives members access to dentist search, claims and coverage, and ID cards - right on their mobile device. It even has a toothbrush timer built in to make sure members keep up with their daily oral health routine.

Members can get estimated cost ranges for common dental care needs for dentists in their area, or they can select their specific participating dentist to see actual fees for services before any work is done.

Delta Dental will continue to enhance the mobile app to meet the needs of its members.
DELTA DENTAL PREMIER®
With 155,508 dentists in more than 348,082 locations, this is the largest network of participating dentists in the country. A network of this size makes it easier for members to stay in-network, thereby saving on out-of-pocket costs.

DELTA DENTAL PPO®
This network has more than 103,609 dentists practicing in over 270,437 locations. Members can see even deeper discounts when visiting a PPO dentist.

DELTACARE® (DENTAL HMO)
People covered by this plan receive dental services from a smaller network of dentists but pay significantly less.

DELTA DENTAL PPO® PLUS PREMIER
Plan members can choose a dentist from either the Delta Dental PPO or the Delta Dental Premier network, which can help them save money by staying in-network.

INDIVIDUAL & FAMILY PLAN
We offer two Individual and Family dental plans. One uses our PPO dentist network and offers the best value to members. The second plan uses our Premier dentist network—an excellent dental plan with the largest panel of dentists in the state. Both plans are certified to meet the requirements of the Affordable Care Act (ACA).

THE DELTA DIFFERENCE®
One key to great service is focusing on one thing and doing it really well. At Delta Dental of Kentucky, all we do is dental. All of our employees, including Customer Service and Claims staff, are dedicated to dental, which enables us to provide the best service. And our statistics show that’s a fact.
Financial Strength Rating—Delta Dental of Kentucky has been assigned a financial strength rating of A- (Excellent) by A.M. Best Co.

DELTA DENTAL OF KENTUCKY INC. AND SUBSIDIARIES

Consolidated Balance Sheet as of December 31

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$64,964</td>
<td>$60,035</td>
</tr>
<tr>
<td>Receivables</td>
<td>9,571</td>
<td>9,145</td>
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<tr>
<td>Other current assets</td>
<td>202</td>
<td>212</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>74,737</td>
<td>69,392</td>
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<tr>
<td><strong>Property and equipment</strong></td>
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<td>10,537</td>
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<tr>
<td><strong>Other assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>Investment in Renaissance Holding Company</td>
<td>6,516</td>
<td>6,502</td>
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<tr>
<td>Surplus note receivable</td>
<td>864</td>
<td>1,220</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$92,357</td>
<td>$87,651</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities and equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$4,100</td>
<td>$4,157</td>
</tr>
<tr>
<td>Claims reserves</td>
<td>9,725</td>
<td>5,689</td>
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<tr>
<td>Premiums received in advance</td>
<td>2,297</td>
<td>2,651</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>16,122</td>
<td>12,497</td>
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<tr>
<td><strong>Equity - unrestricted</strong></td>
<td>76,235</td>
<td>75,154</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td>$92,357</td>
<td>$87,651</td>
</tr>
</tbody>
</table>

RENAISSANCE HEALTH SERVICE CORP.

Combined Financial Results1 as of December 31

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,395,895</td>
<td>$1,263,788</td>
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<tr>
<td><strong>Total capital and equity</strong></td>
<td>970,034</td>
<td>902,369</td>
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<tr>
<td><strong>Subscriber premiums</strong></td>
<td>3,785,546</td>
<td>3,294,208</td>
</tr>
<tr>
<td>Professional services to subscribers</td>
<td>3,418,929</td>
<td>2,975,398</td>
</tr>
</tbody>
</table>

1. Combined financial, operational, cost management and coverage results for Renaissance Health Service Corporation and Affiliates, which include Renaissance Health Service Corporation, Delta Dental of Michigan Inc., and Subsidiaries: Delta Dental Plan of Ohio, Inc. and Subsidiaries; Delta Dental Plan of Indiana, Inc. and Subsidiaries; Delta Dental of Kentucky, Inc. and Subsidiaries; Delta Dental of Arkansas, Inc. and Delta Dental Fund; Delta Dental of North Carolina, Delta Dental of Tennessee, Inc. and Delta Dental of Arkansas, Inc.; and Delta Dental Plan of New Mexico, Inc. and Subsidiaries. Delta Dental is a registered trademark of the Delta Dental Plans Association. The Renaissance trade names and marks are owned by Renaissance Health Service Corporation and are not sponsored or endorsed by the Delta Dental Plans Association.

A VEGGIE A DAY KEEPS THE NINJA AWAY.
SMILE YOU’RE A Star

BOARD MEMBERS
J. Jude Thompson
Chairman of the Board
Owner, Transform Business Solutions, LLC
Louisville, KY

Bruce Randall Smith
Vice Chairman of the Board
President/Owner
Benefit Resource Solutions
Newport, KY

Michael Childers, D.M.D.
Immediate Past Chairman of the Board
Private Practice
Louisville, KY

Carrie B. Brown, D.M.D.
Myrtle Beach, SC

Mary Michael Corbett
Louisville, KY

Diane Cornwell, C.P.A.
Business Consultant
Pewee Valley, KY

Olivia Faulkner Kirtley, C.P.A.
Business Consultant
Louisville, KY

Rodney A. Jackson, D.M.D.
Private Practice
Lexington, KY

Clifford T. Maesaka, Jr., D.D.S.
President and Chief Executive Officer
Delta Dental of Kentucky
Louisville, KY

Mike Mountjoy
Chairman
Mountjoy Chilton Medley, LLP
Louisville, KY

Stephen Charles Day
Vice President and Chief Marketing Officer

Goran M. Jurkovic
Vice President and Chief Financial Officer

Clifford T. Maesaka, Jr., D.D.S.
President & Chief Executive Officer

Angie Zuvon Nenni
Vice President and Chief Operating Officer

Russell Wayne Skaggs
Vice President

OFFICERS
J. Jude Thompson
Chairman of the Board

Bruce Randall Smith
Vice Chairman of the Board

Michael Childers, D.M.D.
Immediate Past Chairman of the Board

Stephen Charles Day
Vice President and Chief Marketing Officer

Goran M. Jurkovic
Vice President and Chief Financial Officer

Clifford T. Maesaka, Jr., D.D.S.
President & Chief Executive Officer

Angie Zuvon Nenni
Vice President Operations and Professional Services

Russell Wayne Skaggs
Vice President Finance

Barbara Faust Stonebaker
Assistant Secretary
John Linton Weeks, III
Vice President, General Counsel and Secretary
Gina Renee Whitlow
Assistant Secretary
Tommy York-Day
Vice President and Chief Operating Officer
TOOTH NINJA

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