ATTACHMENT I

DISTRICT 77 SELF-INSURED DENTAL ACCOUNT

Financial Report as of February 28, 2015

July 1, 2014 Beginning Cash Balance		$229,972.43
Revenues from July, 2014 thru February 2015:		
Premium Deposits from District 77 Employees	$353,449.71	
Interest Earnings	$ 13.44	
Total Revenues to Date		$353,463.15
Expenditures from July, 2014 thru February 2015:		
Delta Dental Administrative Costs	$ 30,202.20	
Claims Paid	$288,867.72	
Total Expenditures to Date		$319,069.92
Cash Balance as of February 28, 2015		**$264,365.66**

Recommended Dental Account Reserve:

Three Month Reserve for Claims Incurred but Not Reported	$123,137
Stop Loss Reserve of 25% of Expected Claims	$123,137
Total Recommended Reserve	**$246,274**

	Single	Family
Current Rates Per Month	$30.69	$76.49
Delta Recommended 2015-2016 Rates	$32.35	$74.38
Monthly Increase (Decrease) Amount	$ 1.66	$ (2.11)
Annual Increase (Decrease) Amount	$19.92	$(25.32)

DELTA DENTAL

RENEWAL CALCULATION
24 MONTH CONTRACT

Group Name	MANKATO ISD #77		
Group Number	000647		
Renewal Period:	July 1, 2015	through	June 30, 2017
Experience Period:	February 1, 2014	through	January 31, 2015

Paid Claims:	Employee	$248,359
	Dependent	$222,081
	Total	$470,440

Average Experience Period Enrollment:	Single	343
	Family	461
	Total	804

Trend Factor: 4.70%

Trend is calculated from the mid-point of the experience period to the midpoint of the renewal period using the following trend factors:

4.00%	in 2012 & 2013
3.50%	in 2014

Benefit Adjustment Factor (BAF): 0.00%

Benefit Adjustment Factor is needed if any benefit changes are proposed for the upcoming contract period.

Projected Paid Claims (Annualized Paid Claims * (1+Trend Factor) * (1+BAF)):

	Total	Enrollment	PEPM
Employee:	$260,031	804	$26.95
Dependent:	$232,517	461	$42.03
Total:	$492,548		

Needed ASO Fee (per employee per month):	$5.40
Proposed ASO Fee (per employee per month):	$5.40
This is a change to the current ASO fee of:	0.0%

Equivalency Rates:	Claims Cost	ASO Fee	Total Rate
Single	$26.95	$5.40	$32.35
Family	$68.98	$5.40	$74.38

This group renews with Group #647-0002, 9273 using combined retention.

Subgroup 0050 is a zero bill subgroup for ex-spouses.

The projected claims and equivalency rates reflect the first 12 months of the 24 month contract period: 7/1/15 through 6/30/17.
If the number of enrolled employees deviates from the above enrollment by 10% or more during the contract period, Delta reserves the right to re-evaluate the fees/rates and restrict funding options.

Mankato ISD #77 will not be held liable for paid claims exceeding 125% of the projected claims ($615,685 based on 804 employees). The ASO Fee is $4.98 plus $.42 for stop loss.

JLD N/A Broker Commission 2/25/15

DELTA DENTAL

RENEWAL CALCULATION
24 MONTH CONTRACT

Group Name	MANKATO ISD #77		
Group Number	000647		
Renewal Period:	July 1, 2015	through	June 30, 2017
Experience Period:	January 1, 2013	through	December 31, 2014

Earned Income $67,972

Incurred Claims $48,682

Estimated Unpaid Claim Liability*: $180
* EUCL has already been added to the incurred claim total

Average Experience Period Enrollment:		
	Employee	33
	Ee + 1	15
	Family	8
	Total	56

Trend Factor: 9.24%

Trend is calculated from the mid-point of the experience period to the midpoint of the renewal period using the following trend factors:

4.00%	in 2012 & 2013
3.50%	in 2014

Benefit Adjustment Factor (BAF): 0.00%

Benefit Adjustment Factor is needed if any benefit changes are proposed for the upcoming contract period.

Projected Incurred Claims: $26,591

Needed Increase: 0.00%
Proposed Increase: 0.00%

Rates:		Current Rates	New Rates
	Employee	$31.65	$31.65
	Employee+1	$64.95	$64.95
	Family	$104.40	$104.40

This group renews with Group #647-0001, 0050, 9272 using combined retention

If the number of enrolled employees deviates from the above enrollment by 10% or more during the contract period, Delta reserves the right to re-evaluate the fees/rates and restrict funding options.

N/A Broker Commission JLD

Note: Our rates include all applicable taxes and fees 78.25% Target Loss Ratio 2/24/15