



June 6, 2012

Mr. Michael Brady
Employee Benefits Director
City of Milwaukee
200 East Wells Street, Room 706
Milwaukee, WI 53202

RE: City of Milwaukee renewal
Group No. 014

Dear Mr. Brady:

We have reviewed the experience of the Care-Plus Smile Advantage dental program currently offered to the City of Milwaukee. The group's utilization coupled with continuing inflationary pressures, makes it necessary to adjust the monthly rates to:

<u>Single</u>	<u>Family</u>
\$44.56	\$131.33

The rates are effective January 1, 2013 and are guaranteed for twelve months through December 31, 2013.

Enclosed you will find an Addendum indicating the new contract period and rates. Please have the appropriate person sign and return one copy in the enclosed self-addressed envelope. The other copy is for your records.

Care-Plus Dental Plans, Inc. values the City of Milwaukee's participation in the Care-Plus Smile Advantage dental program. We look forward to working with you to provide quality dental benefits for your employees. In the event of any questions, please contact me at (414) 771-1711.

Sincerely,

Colleen J. Sorenson
Manager of Administration
Care Plus Dental Plans, Inc.

CJS: as
Enclosures



We bring smiles to life.

**City of Milwaukee - Dentacare
166157.00
Renewal Development
1/1/2013 Renewal**



Product: City of Milwaukee - Current Dentacare Plan
 Note: These rates are based on the current benefit plan.

	DHMO		
	# of Contracts	Current Rates	Renewal Rates
Subscriber Only	456	\$47.25	\$55.57
Subscriber + Spouse	187	\$141.77	\$166.72
Subscriber + Child(ren)	168	\$141.77	\$166.72
Subscriber + Family	685	\$141.77	\$166.72
Monthly Premium	1496	\$168,986.80	\$198,728.72
Annual Premium		\$2,027,841.60	\$2,384,744.64
Rate Change			17.60%

**City of Milwaukee - Dentacare
166157
Renewal Development
1/1/2013 Renewal**



	DHMO Capitation		Fee For Service Claims	
	1st Period	2nd Period	1st Period	2nd Period
Experience Period - Beg	5/1/2011	5/1/2010	5/1/2011	5/1/2010
Experience Period - End	4/30/2012	4/30/2011	4/30/2012	4/30/2011
Claims Paid	\$683,443.00	\$629,770.00	\$1,627,348.00	\$1,585,311.00
x Benefit Change	1.000	1.000	1.000	1.000
+ IBNR Adjustment	\$5,467.54	\$5,038.16	\$13,018.78	\$12,682.49
Incurred Claims*	\$688,910.54	\$634,808.16	\$1,640,366.78	\$1,597,993.49
x Trend - Mid Point	1.050	1.082	1.050	1.082
x Enrollment Adjustment	0.921	0.866	0.921	0.866
x Blend of Renewal Periods	100.00%	0.00%	100.00%	0.00%
Projected Capitation / Claims	\$666,210.94	\$0.00	\$1,586,316.70	\$0.00
+ Add Projected Claims	\$0.00			
Total Adjusted Projected Claims	\$2,252,527.64			
Credibility	100.00%			
Weighted Claims	\$2,252,527.64			
+ Retention	\$282,592.06			
+ Commissions	\$0.00			
Needed Premium	\$2,535,119.70			
Income at Current Rates	\$2,027,841.60			
Needed Increase	25.02%			
Applicable Increase	17.60%			

Experience Exhibit

	Subscribers	Members	Claims	Capitation Expense	Total Expense	Total Premium
2011-05	1712	4772	\$ 154,643	\$ 59,504	\$ 214,147	\$ 191,369
2011-06	1707	4764	\$ 167,395	\$ 59,336	\$ 226,731	\$ 191,000
2011-07	1701	4752	\$ 127,733	\$ 59,169	\$ 186,902	\$ 190,387
2011-08	1689	4733	\$ 146,446	\$ 59,176	\$ 205,622	\$ 189,224
2011-09	1682	4732	\$ 129,181	\$ 59,081	\$ 188,262	\$ 188,883
2011-10	1669	4705	\$ 121,596	\$ 59,344	\$ 180,940	\$ 187,612
2011-11	1656	4667	\$ 151,397	\$ 58,504	\$ 209,901	\$ 185,870
2011-12	1649	4648	\$ 162,385	\$ 58,266	\$ 220,651	\$ 185,101
2012-01	1536	4349	\$ 109,444	\$ 53,317	\$ 162,761	\$ 172,927
2012-02	1504	4288	\$ 110,050	\$ 53,323	\$ 163,373	\$ 169,772
2012-03	1497	4278	\$ 102,981	\$ 52,459	\$ 155,440	\$ 169,158
2012-04	<u>1495</u>	<u>4281</u>	<u>\$ 144,097</u>	<u>\$ 51,964</u>	<u>\$ 196,061</u>	<u>\$ 168,609</u>
	19497	54969	\$ 1,627,348	\$ 683,443	\$ 2,310,791	\$ 2,189,912

POLICY ENDORSEMENT NO. 2210 - 0 - 05112012

Attached to and forming a part of the Contract to Provide Dental Care Benefits between City Of Milwaukee and Delta Dental of Wisconsin, Inc.

It is agreed and understood that Declarations, Section 7, Monthly Premium will be replaced with the following, effective January 1, 2013 and ending on December 31, 2013:

Single Coverage (employee, 1 Party)	\$25.87
Family Coverage (employee and spouse, 2 Party)	\$89.38
Family Coverage (employee and child(ren))	\$89.38
Family Coverage (full family, 3+ Party)	\$89.38

POLICY ENDORSEMENT NO. 2310 - 0 - 05112012

Attached to and forming a part of the Contract to Provide Dental Care Benefits between City Of Milwaukee and Delta Dental of Wisconsin, Inc.

It is agreed and understood that Declarations, Section 7, Monthly Premium will be replaced with the following, effective January 1, 2013 and ending on December 31, 2013:

Single Coverage (employee, 1 Party)	\$29.92
Family Coverage (employee and spouse, 2 Party)	\$85.73
Family Coverage (employee and child(ren))	\$85.73
Family Coverage (full family, 3+ Party)	\$85.73

POLICY ENDORSEMENT NO. 2410 - 0 - 05112012

Attached to and forming a part of the Contract to Provide Dental Care Benefits between City Of Milwaukee and Delta Dental of Wisconsin, Inc.

It is agreed and understood that Declarations, Section 7, Monthly Premium will be replaced with the following, effective January 1, 2013 and ending on December 31, 2013:

Single Coverage (employee, 1 Party)	\$30.01
Family Coverage (employee and spouse, 2 Party)	\$91.30
Family Coverage (employee and child(ren))	\$91.30
Family Coverage (full family, 3+ Party)	\$91.30