

NDPERS BOARD MEETING

Agenda

Bismarck Location:
Workforce Safety & Insurance
1600 E Century Avenue
Fargo Location:
BCBS, 4510 13th Ave SW

August 17, 2006

Time: 8:30 AM

I. MINUTES

- A. July 20, 2006

II. GROUP INSURANCE

- A. Review of Dental Insurance Proposals – Bill Gallagher, GBS (Board Action Requested)
- B. BCBS Member Satisfaction Survey – BCBS (Information)
- C. Wellness Benefit Program – Kathy (Board Action Requested)
- D. Segal Update – Sparb (Information)
- E. Surplus/Affordability Update – Bryan (Information)

III. RETIREMENT

- A. Highway Patrol Indexing – Kathy (Board Action Requested)
- B. Law Enforcement – Sharmain (Board Action Requested)

IV. BUSINESS SYSTEM REPLACEMENT PROJECT (LASR) UPDATE – Deb (Information)

V. MISCELLANEOUS

- A. Updated Personnel Policies – Kathy (Board Action Requested)
- B. State Employees Compensation Commission – Sparb (Information)
- C. IFEBP – Sparb (Information)
- D. SIB Agenda – (Information)
- E. Disability Appeal 2006-002D – Sharmain (Board Action Requested)
- F. Executive Director Review – Jon (Board Action Requested)

Any individual requiring an auxiliary aid or service must contact the NDPERS ADA Coordinator at 328-3900, at least 5 business days before the scheduled meeting.

MINUTES

North Dakota Public Employees Retirement System

Thursday, July 20, 2006
ND Association of Counties, Bismarck
BCBS, 4510 13th Ave SW, Fargo
8:30 A.M.

Members Present: Ms. Joan Ehrhardt
Mr. Ron Leingang
Mr. Howard Sage
Ms. Arvy Smith
Ms. Sandi Tabor

Via Video Conference: Ms. Rosey Sand
Chairman Jon Strinden
Mr. Sparb Collins, Executive Director, NDPERS

Others Present: Ms. Cheryl Stockert, NDPERS
Ms. Kathy Allen, NDPERS
Ms. Sharon Schiermeister, NDPERS
Ms. Tammy Becker, NDPERS
Mr. Bryan Reinhardt, NDPERS
Ms. Jamie Kinsella, NDPERS
Mr. Leon Heick, NDPERS
Ms. Cheryle Masset-Martz, NDPERS
Mr. Scott Miller, Attorney General's Office
Ms. Patricia Hill, ND Pharmacists Association
Mr. David Peske, ND Medical Association
Ms. Jodee Buhr, NDPEA
Mr. Bill Kalanek, AFPE
Ms. Bethany Pfister, PrimeTherapeutics, BCBS
Mr. Weldee Baetsch

Via Video Conference: Ms. Kamie Kuenemann, BCBSND
Mr. Mark Tschider, BCBSND

Chairman Jon Strinden called the meeting to order at 8:40 a.m.

MINUTES

Chairman Strinden called for any comments or corrections to the June 29, 2006 Board meeting minutes.

THERE BEING NONE, MS. EHRHARDT MOVED APPROVAL OF THE JUNE 29, 2006 BOARD MEETING MINUTES. MS. SAND SECONDED THE MOTION. THE MINUTES WERE APPROVED.

GROUP INSURANCE

Clinical Pharmacy Update

Mr. Collins stated this will be the last of our educational programs relating to the health insurance program. Ms. Kamie Kueneman introduced Ms. Bethany Pfister, PharmD with PrimeTherapeutics, BCBSND, who presented the NDPERS clinical pharmacy update. Information presented related to significant drug classes, generic opportunities, academic detailing, and other clinical initiatives (provider focused, member focused, prior approval). A copy of this presentation is on file at PERS.

Dental/Long Term Care Insurance Update

Mr. Collins reported eight dental plan proposals were received; no long term care proposals were received. Gallagher Benefit Services is reviewing the proposals and will report to the Board at the August 17 meeting with interviews scheduled at a special Board meeting set for August 29.

Dental Self Funding

Mr. Collins introduced Mr. Bill Robinson from Gallagher Benefit Services who provided the Board an overview of self-funding dental plans. This background was provided since one of the options in the dental RFP is to self-fund the program. Mr. Robinson reported that currently NDPERS does not self-fund dental and vision voluntary insurance plans. Dental and vision are two voluntary plans that can be considered for self-funding under certain circumstances. There must be a significant number of people and number of years of experience for actuaries to track trends. In both cases, PERS has 4000 covered employees and detailed claim experience for the past three years. There is no reason for NDPERS not to consider self-funding its voluntary dental plan; it has sufficient size and years of experience to permit underwriting of the plan. Mr. Robinson stated that Gallagher Benefit Services will analyze and evaluate the insured and self-funded proposals, showing total biennium costs using the carriers' own expected claims projections when they evaluate the proposals in response to the recent RFP.

MISCELLANEOUS

PERS 2007-09 Budget

Ms. Schiermeister presented the proposed 2007-2009 budget to the Board. This budget was developed consistent with the Governor's directive to submit budgets at the same

funding level as the current biennium, with the addition of the cost to continue the fiscal year 2007 4% salary increase. Two optional funding packages were proposed which include a salary equity package for staff and the Legacy Application System Replacement (LASR) project. What is contained in the LASR budget is an increase of 4 FTE's which includes two accounting staff as well as two administrative staff in the benefits division to backfill current positions that will be dedicated to the LASR project. It was noted that two of the staff may need to be retained after the project. Additional space in the Wells Fargo building was also included to accommodate this project.

MS. SMITH MOVED TO APPROVE THE BASE BUDGET. THE MOTION WAS SECONDED BY SANDI TABOR.

Ayes: Mr. Leingang, Mr. Sage, Ms. Sand, Ms. Smith, Ms. Tabor, Ms. Ehrhardt, and Chairman Strinden.

Nays: None

PASSED

MS. TABOR MOVED TO APPROVE THE OPTIONAL FUNDING REQUESTS. THE MOTION WAS SECONDED BY MS. SMITH.

Ayes: Mr. Leingang, Mr. Sage, Ms. Sand, Ms. Smith, Ms. Tabor, Ms. Ehrhardt, and Chairman Strinden.

Nays: None

PASSED

Business System Replacement Update (LASR)

Mr. Collins reported that as noted in the LASR feasibility report and documented in the proposed budget, the cost of the project is approximately \$9.6 million. OMB and ITD have recommended that we include the full amount in our 2007-2009 biennium budget and carryover the remaining authorization to 2009-2011 to complete the project in the third year. As noted, PERS will need four FTE's during the project, retaining two FTE's in the finance area after the project is completed. To fund this project, staff is recommending that retirement, retiree health credit and Job Service be paid from assets of each trust. Additionally, group insurance will be paid from health and life insurance surplus; flexcomp will be paid from FICA tax savings; and defined contribution will be paid from the forfeiture account. Staff recommends that deferred compensation be paid from the retirement plan and insurance plan on a 50/50 split as allowed by statute.

MS. SAND MOVED TO ADOPT STAFF RECOMMENDATION ALTERNATIVE #3 TO ALLOCATE THE DEFERRED COMPENSATION RESOURCE AS WELL AS THE STAFF RECOMMENDATION FOR FUNDING THE LASR PROJECT. THE MOTION WAS SECONDED BY MS. TABOR.

Ayes: Mr. Leingang, Ms. Sand, Ms. Smith, Ms. Tabor, Ms. Ehrhardt, and Chairman Strinden.

Nays: Mr. Sage

PASSED

Miscellaneous

Mr. Collins reported that we have received only 12 conference registrations for the Retiree Conference, and in order to hold the conference we will need 100 registrants by July 23. If PERS does not receive 100, the conference will be cancelled. Mr. Scott Miller, Assistant Attorney General, stated this will be his last PERS Board meeting. He has taken a position with the Montana Public Retirement Administration. Chairman Strinden commended Mr. Miller on a job well done and thanked him for his service to NDPERS staff and the Board.

Hardship Appeal

Ms. Allen stated the individual that filed the appeal was in attendance. The Board went into executive session. No questions were asked of the individual. The Board went into open session. Ms. Allen stated that the hardship request was initially denied because of inadequate documentation. The individual has presented additional documentation to support the hardship appeal.

**MS. TABOR MOVED TO APPROVE THE REQUEST FOR THE HARDSHIP APPEAL.
MR. LEINGANG SECONDED THE MOTION.**

Ayes: Mr. Leingang, Ms. Sand, Ms. Smith, Ms. Tabor, Ms. Ehrhardt, and Chairman Strinden.

Nays: None

PASSED

The meeting adjourned at 10:30 a.m.

Prepared by,

Cheryl Stockert
Secretary to the NDPERS Board



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Memorandum

TO: PERS Board
FROM: Sparb
DATE: August 9, 2006
SUBJECT: Dental RFP Responses

Attached for your review and information is the analysis by GBS of the dental proposals we received in response to our recent RFP. Bill will be at the next meeting to review this with you and answer any questions you may have. Staff will also review the attached between now and the Board meeting.

Our goal for this meeting will be to narrow the list of candidates down to 2 or 3. We have set aside August 27 for the Board to meet and interview the candidates.

Board action requested

To determine which vendors to interview.

**NORTH DAKOTA PERS
MARKETING ANALYSIS – VOLUNTARY DENTAL PLANS**

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NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM (NDPERS) INSURED AND SELF-FUNDED VOLUNTARY DENTAL PLAN RFP ANALYSIS SECTION I. EXECUTIVE SUMMARY

Overview

NDPERS retained Gallagher Benefit Services (GBS) to manage its RFP process for its voluntary dental and long term care (LTC) insurance coverages. The dental RFP requested insured and self-funded proposals with aggregate stop-loss (ASL) insurance in the event NDPERS elected to purchase such coverage. For self-funded quotes, the carriers were asked to provide their Administrative Service Only (ASO) fees along with their expected claims assumptions and ASL insurance premiums. As noted in the report, not all carriers provided self-funded expected claims or ASL quotes.

No carrier proposals were submitted for LTC insurance. Carriers that provided explanations for their unwillingness to quote stated that it was due to the low participation in the current LTC and the State's average salaries being below their underwriting minimum requirements.

Please refer to Section II-B of this report for a dental and LTC carrier summary. When carriers provided explanations for not proposing, we have included their responses.

The following eight carriers submitted dental proposals:

- Ameritas (insured, ASO without ASL)
- Cigna (insured, ASO without ASL)
- Delta Dental of Plan MN (insured, ASO with ASL)
- MetLife (insured only)
- Mutual of Omaha (insured only)
- Reliance Standard (insured, ASO without ASL)
- UniCare (WellPoint) (insured, ASO without ASL)
- Unimerica (United Healthcare) (insured, ASO without ASL)

Carriers were asked to propose on various alternative plan designs in addition to the current one. Also, they were allowed to propose an optional plan design of their choice. Please refer to Section III-A for a summary of the insured options quoted by each carrier.

Geographic Information

Vendor	Corp. HQ	Claim Office	Customer Service	Comments
Ameritas	Lincoln, NE	Lincoln, NE	Lincoln, NE	
Cigna	Bloomfield, CT	Sherman, TX	Sherman, TX	
Delta Dental of MN	Eagen, MN	Eagen/Gilbert, MN	Gilbert, MN	
Met Life	New York, NY	Utica, NY	Utica, NY; Tulsa, OK	
Mutual of Omaha	Harrisburg, PA	Harrisburg, PA	Williamsport, PA	Partnered with Utd.Concordia
Reliance Standard	Philadelphia, PA	Lincoln/Wayne, NE	Lincoln, NE	Partnered with Ameritas
UniCare (Well Point)	Indianapolis, IN	Camarillo, CA	Camarillo, CA	
Unimerica (UHC)	Baltimore, MD	International Falls, MN	San Antonio, TX	

Distinguishing Features

Summarizing Sections II A-B of our report, we note the following features or characteristics that may be of interest to NDPERS in its proposal evaluation process.

- Ameritas: Currently provides NDPERS voluntary vision (claims that this will assist with administration and implementation); same administration team that handles vision would be assigned to dental; agreed to performance guarantees with one modification; agreed to track individual subscriber eligibility for COBRA and alert NDPERS (additional costs of \$.55 PEPM); able to comply with all administrative requirements.
- Cigna: Willing to guarantee that top 50 NDPERS dentist will be contacted to join provider network; willing to explore providing a “passive” PPO plan in year two; \$32,000 at risk to meet performance guarantees; willing to offer recruitment guarantee; average PPO dental client size >3,500 ees; can agree to all performance guarantees except one; agreed to assist with onsite enrollment meetings; ASO clients get 1 “free” audit per plan if >5000 ees.
- Delta Dental Plan of MN (DDPM): Only carrier to quote ASL insurance; broadest dental provider network of all respondents; can provide overseas emergency coverage; quoted fees on two bases (with and without ACH fund transfer); \$25,000 at risk for meeting performance guarantees; \$15,000 implementation guarantee included: will provide staffing for open enrollment; will allow NDPERS name and logo on ID cards; agreed to hold harmless requirements in RFP.
- Met Life: Has limited dental network in ND; willing to work with NDPERS to target recruitment of top 50 dentists into network; able to comply with all administrative requirements.
- Mutual of Omaha: Partnered with United Concordia on dental proposal; one of a few carriers that agreed to NDPERS contract termination provisions; average group size >1000 ees; able to comply with all administrative standards

- Reliance Standard: Uses Ameritas dental network; willing to partner with NDPERS to target top 50 dentists to recruit into PPO network; able to comply with all administrative requirements; offered performance, quality and claim management guarantees.
- UniCare (Well Point): For past 6 years has processed NDPERS claims for ING/Reliastar; account management team available to support enrollment; 1% of insured premiums and 5% of ASO fees at risk for meeting guarantees.
- Unimerica: Will provide assistance with enrollment; 1.2% of premiums or 15% of ASO fees at risk for meeting performance guarantees.

Potential Concerns

Summarizing Sections II A-G of our report, we have noted the following issues that may be of concern to NDPERS in its evaluation process:

- Ameritas: Plans contain unique design features not contained in others; did not provide ASL quote; insured plans required to have a Premium Stabilization Reserve (PSR); cannot comply with NDPERS contract termination requirements; will not issue coverage on “no loss/no gain” basis; NDPERS will need to review response to hold harmless language; average group size is 32 employees; requires a deposit for insured plan; “will make every effort” to provide 1 rep at enrollment meetings; no customization of ID cards
- Cigna: Did not provide ASL quote; cannot comply with NDPERS contract termination requirements; will provide paper or electronic insurance certs (may not suffice as SPDs, in which case additional fees may apply); NDPERS will need to review response to hold harmless language; does not issue ID cards; unable to exactly match current benefits; standard administration requires retroactive premium adjustments (willing to discuss variation); not able to comply with COBRA tracking requirements (subcontractor required at additional cost); enrollment changes outside underwriting assumptions may result in re-rating of the plan.
- Delta Dental of MN: Cannot comply with current administration in two areas: (a) do not deny claims based on submission date; (b) prefers to use personalized ID cards (willing to discuss); average group size is 151 ees; cannot track member eligibility for COBRA and alert NDPERS; decreases in enrollment of >10% could result in re-rating of the plan;
- Met Life: Cannot comply with NDPERS contract termination requirements; would not agree to comply with existing administrative requirements (willing to discuss if named finalist); cannot administer current Type A copay design; NDPERS will need to review response to hold harmless language; requires a deposit for insured dental plans (willing to discuss waiver if named a finalist); does not issue ID cards; cannot provide real time ee claim status inquires; did not agree to provide mailing labels; does not provide any COBRA administration

services; reserves right to re-rate if enrollment change greater than underwriting assumptions.

- Mutual of Omaha: Did not quote current plan design; did not provide financial statement (will provide if finalist); will not offer performance guarantees with voluntary plans; requires a deposit (willing to consider waiver); no logos allowed on ID cards; will not agree to independent audit; cannot accommodate retiree automatic bank premium payments; unable to comply with retroactive adjustment requirements; cannot track eligibility for COBRA; COBRA billing and collection services available at additional fees; reserves right to re-rate if enrollment changes by > 10%; NDPERS needs to review hold harmless requirements.
- Reliance Standard: If NDPERS offers choice of plans then one must be High/Low option; fees assume one centralized address for all billing and marketing materials; will not comply with NDPERS contract termination requirements; will not provide coverage on no loss/no gain basis; has same unique plan design features as Ameritas; average group size of 145 ees; requires deposit for insured plans; no variation in ID cards allowed; additional cost of \$.55 PEPM to track COBRA eligibility; NDPERS needs to review hold harmless requirements.
- UniCare (Wellpoint): Proposal assumes one billing entity and one claim category for reporting purposes; if enrollment changes > 10% from assumptions then reserves the right to adjust rates; proposal assumes total group has no more than 7% COBRA and 5% early retirees; will not agree with NDPERS contract termination requirements; limits situations where insured claim audits allowed; NDPERS needs to review hold harmless requirements; average group size 5-50 ees; did not specifically agree to comply with NDPERS administrative requirements (believes approval of ND DOI required); did not agree to provide COBRA tracking services; COBRA administration services available at an additional fee (not specified).
- Unimerica: Only provides Certificate of Coverage at no additional costs; did not agree to comply with NDPERS contract termination requirements; cannot duplicate current plan's \$10 copay benefit; requires a deposit for insured plans; cannot administer COBRA tracking and notification requirements; reserves right re-rate if enrollment changes by >10%; NDPERS needs to review hold harmless requirements.

Summary of References

Vendor	Provided Three?	# of Public Sector	# of ND References	Term Clients Provided?	Comments
Ameritas	Yes	1	0	Yes	
Cigna	Yes	1	0	Yes	
Delta Dental of MN	Yes	3	0	Yes	3 MN Counties as references
Met Life	Yes	2	0	Yes	
Mutual of Omaha	Yes	1	0	Yes	
Reliance Standard	Yes	1	0	Yes	
UniCare (Well Point)	Yes	2	0	Yes	
Unimerica (UHC)	Yes	1	0	No	

Performance Guarantees

The willingness of a vendor to enter into performance based contract with guarantees is an important criterion in evaluating proposals. The following summarizes the vendors' stated positions on performance guarantees.

Vendor	Agree?	Provide Recommendations?	Comments
Ameritas	Yes	One modification	
Cigna	Yes	One modification	Provide their recommendations also
Delta Dental of MN	Yes	Yes	Will only agree to their guarantees
Met Life	Yes	Yes	Will only agree to their guarantees
Mutual of Omaha	No	No	Guarantees not available for voluntary plans
Reliance Standard	Yes	Modifications Listed	
UniCare (Well Point)	Yes	Modifications Listed	Will only agree to their guarantees
Unimerica (UHC)	Yes	Modifications Listed	Will only agree to their guarantees

Cost Analysis

Please refer to Sections III A-G of the report for our cost analysis, which summarizes total projected biennium costs for the insured proposals and options quoted.

Our self-funded analysis is contained in Sections III F-G. To simplify the analysis, we have developed two self-funded biennium cost projections, "Best Case" and "Conservative." For the latter projection, we used Delta Dental's proposal with ASL coverage and a 3% claim fluctuation reserve (CFR) for option 1A. We compared the two self-funded scenarios with the projected biennium insured costs provided by the five carriers that quoted Plan IA (current plan or the closest the carrier could come to duplicating that plan). As noted above, Ameritas and Reliance Standards' plan designs are quite different than NDPERS' current arrangement. These differences should be considered when evaluating the relative costs of these two carriers.

As noted in our analysis, our total projected “Best Case” biennium self-funded costs for Plan IA are lower than any of the insured proposals and lower than current annual premiums. However, our “Conservative” projection is higher than any of the insured proposals for this option. Although it is not feasible for us to provide similar cost evaluations for all possible plan design options, we suspect that the results would be similar.

Section V-D summarizes the sample dental claim scenarios that the carriers were asked to address. As noted, the results vary significantly depending on the allowed amount considered by the carrier and the percentile used to establish usual, reasonable and customary (UCR). Ranking the participant only costs for Option 1A, from lowest to highest they are:

- Delta (both Premier and PPO): \$367.20
- Cigna: \$401.60
- Met Life: \$415.30
- Ameritas: \$420.00
- UniCare (Wellpoint): \$421.60
- Reliance Standard: \$445.60
- Mutual of Omaha: Did Not Quote Option 1A
- Unimerica: Did Not Quote Option 1A

Provider Networks

Refer to Section V-A for a summary of the three dental carriers that proposed dental provider networks. The sizes of the provider networks in ND are:

- Delta: PPO (73) and Participating (149)
- Met Life: PPO (12)
- Mutual of Omaha: PPO (113)

Section V-B illustrates the maximum contracted rates for 20 common dental procedures. This information is provided for eight locations in ND. For those three carriers that have dental networks, those fee allowances are also shown.

Section V-C illustrates the disruption analysis of the 50 most currently utilized dentists by NDPER participants.

Summary

The sections presented above focus on those aspects of the proposals that we believe to be critical in determining finalists.

- Geographic Information: All carriers are from out of state and none have claim or servicing facilities in ND. Therefore, no one has a competitive advantage.
- Distinguishing Features: Both Ameritas and UniCare (Wellpoint) have existing relationships with NDPERS, which may help facilitate transition to them. Ameritas, Met Life, Mutual of Omaha and Reliance Standard all indicated that they could comply with NDPERS administrative requirements with no modifications. However, all had issues with contractual requirements.
- Potential Concerns: Ameritas and Reliance Standard's plan designs are unconventional and make cost comparisons difficult. Reliance uses Ameritas' platform and brings little or no additional value at increased costs. Most, if not all, carriers expressed concerns with PERS contract termination provisions and hold harmless requirements. Cigna, Delta, Met Life and UniCare cannot comply with all PERS administrative requirements. All carriers except Ameritas and Reliance Standard indicated that they would reserve the right to re-rate the plan if enrollment differs materially from their underwriting assumptions. Only Ameritas and Reliance Standard indicated that they would do the required COBRA tracking (at additional costs). NDPERS or its legal counsel will need to determine which, if any, of the carriers' contractual and administrative requirements it can accept.
- References: All of the carriers provide the requisite three references. Thus, there is no clear competitive advantage to any one carrier.
- Performance Guarantees: Mutual of Omaha's refusal to include performance guarantees in its contract is a concern to us. Cigna, Delta, Reliance Standard, UniCare and Unimerica all were willing to include financial incentives for meeting performance standards- a positive feature of their proposals.
- Costs: The three critical variables in a cost analysis are funding (insured vs. self-funding), plan design and member out of pocket costs. We will work with the Board to help prioritize these variables in order to narrow down the number of choices.
- Networks: There are only two current viable network options, Delta and Mutual of Omaha. Others indicate that they will commit to building networks in ND if selected

Fortunately (or unfortunately, depending on your point of view), there is no one clearly superior proposal that meets all of NDPERS' requirements. The decision on which carriers to select as finalists will depend greatly on NDPERS' flexibility with administrative and contractual requirements. No one carrier would agree to comply with all of them.

We look forward to reviewing this report with the NDPERS Board and staff.

**NORTH DAKOTA PERS
DISCLAIMER**

Proposed Effective Date: January 1, 2007

IMPORTANT: This bid analysis is an outline of the coverages proposed by the carrier(s), based on information provided by your company and the carrier(s). It does not include all of the terms, coverages, exclusions, limitations, and conditions of the actual contract language. The policies and contracts themselves must be read for those details. Policy forms for your reference will be made available upon request.

The intent of this bid analysis is to provide you with general information regarding the status of, and/or potential concerns related to, your current employee benefits environment. It does not necessarily fully address all of your specific issues. It should not be construed as, nor is it intended to provide, legal advice. Questions regarding specific issues should be addressed by your general counsel or any attorney who specializes in this practice area.

This analysis is for illustrative purposes only, and is not a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend or alter the coverage provided by the actual insurance policies and contracts. Please see your policy or contact us for specific information or further details in this regard.

VENDOR RESPONSE

Proposed Effective Date: January 1, 2007

VENDOR	AM Best Rating ⁽¹⁾	VOLUNTARY DENTAL						LONG TERM CARE	Notes	
		Current Plan Design		PPO Plan Design		Carrier-Suggested Plan Design				Aggregate Stop Loss
		Self-funded	Insured	Self-funded	Insured	Self-funded	Insured			
Advanced Resources Marketing									NO RESPONSE TO RFP.	
Aetna, Inc.									DECLINED TO QUOTE. The major factor was the lack of network panel providers. ND is one of the few states in which they do not have a network panel. They do not feel it would be appropriate, given the RFP requirements, to provide a proposal with non-network plans.	
AlwaysCare Benefits, Inc. (A Starmount Life Insurance Company)									DECLINED TO QUOTE. Unable to provide a competitive bid.	
Ameritas Life Insurance	A	QUOTED	QUOTED			QUOTED	QUOTED			
Asset Management Group, Inc.									NO RESPONSE TO RFP.	
Assurant / Fortis									DECLINED TO QUOTE. Unable to provide a competitive bid.	
Benefit Specialists									NO RESPONSE TO RFP.	
Blue Cross Blue Shield of ND (Noridian)									NO RESPONSE TO RFP.	
Cigna Dental	A-	QUOTED	QUOTED							
C.N.A.									NO RESPONSE TO RFP.	
Country Life Ins. Co.									NO RESPONSE TO RFP.	
Delta Dental of Minnesota	A	QUOTED (Offered a PPO plan design vs. an Indemnity plan)	QUOTED (Offered a PPO plan design vs. an Indemnity plan)	QUOTED	QUOTED	QUOTED	QUOTED	QUOTED		
Doral Dental USA									NO RESPONSE TO RFP.	
Equitable Life and Casualty									NO RESPONSE TO RFP.	
First Administrators									DECLINED TO QUOTE. First Administrators, partnered with Midwest Benefit Consultants, Inc. (a Wellmark Company) found that their rating structure does not match the needs of NDPERS.	

VENDOR RESPONSE

Proposed Effective Date: January 1, 2007

VENDOR	AM Best Rating ⁽¹⁾	VOLUNTARY DENTAL						LONG TERM CARE	Notes	
		Current Plan Design		PPO Plan Design		Carrier-Suggested Plan Design				Aggregate Stop Loss
		Self-funded	Insured	Self-funded	Insured	Self-funded	Insured			
Genworth Financial (formerly GE)									DECLINED TO QUOTE. The average salary is only \$32,910 and only 22.8% earn in excess of \$40,000 annually.	
Government Employees Hospital Association (GEHA)									NO RESPONSE TO RFP.	
Great West Life									DECLINED TO QUOTE. These products are not part of their core business and will probably be better served by a specialty carrier.	
Guardian									NO RESPONSE TO RFP.	
Hartford									DECLINED TO QUOTE. Do not have dental or LTC insurance products.	
Humana									DECLINED TO QUOTE. Based on the requirements outlined within the RFP, cannot offer a competitive quote.	
ING Employee Benefits (INCUMBENT)									NO RESPONSE TO RFP.	
Jefferson Pilot / Lincoln Financial									DECLINED TO QUOTE. Unable to quote due to the nature of the business.	
John Hancock Financial Services									DECLINED TO QUOTE. Due to existing Unum plan without reserve transfer, but most importantly, the average salary of group is \$26,200, leaving majority of group unable to afford comprehensive group LTC.	
Life Investors Insurance Company of America									NO RESPONSE TO RFP.	
MassMutual Life Insurance Co.									NO RESPONSE TO RFP.	
MedAmerica Insurance Co.									NO RESPONSE TO RFP.	
MetLife			QUOTED		QUOTED					
Mutual of Omaha (through United Concordia)	A-				QUOTED		QUOTED			
PacifiCare									NO RESPONSE TO RFP.	
Principal									NO RESPONSE TO RFP.	

VENDOR RESPONSE

Proposed Effective Date: January 1, 2007

VENDOR	AM Best Rating ⁽¹⁾	VOLUNTARY DENTAL						LONG TERM CARE	Notes	
		Current Plan Design		PPO Plan Design		Carrier-Suggested Plan Design				Aggregate Stop Loss
		Self-funded	Insured	Self-funded	Insured	Self-funded	Insured			
Prudential									DECLINED TO QUOTE. Due to the limited time to communicate the program and the past enrollment history.	
Reliance Standard	A	QUOTED	QUOTED			QUOTED	QUOTED			
Schmidt Insurance Agency									NO RESPONSE TO RFP.	
Securian Dental Plans (Delta Dental of MN)									NO RESPONSE TO RFP.	
Standard									DECLINED TO QUOTE. May not be able to meet the requirements concerning the transfer of data with NDPERS. Further, the requirement to maintain 28 separate billing accounts would present a problem.	
SunLife									DECLINED TO QUOTE. Do not have dental or LTC insurance products at this time.	
Total Dental Administrators **									NO RESPONSE TO RFP.	
Trustmark Insurance									NO RESPONSE TO RFP.	
UniCare (Wellpoint)	A	QUOTED	QUOTED			QUOTED	QUOTED			
Unimerica Workplace Benefits	A					QUOTED	QUOTED	QUOTED		
United Concordia									See Mutual of Omaha proposal.	
United HealthCare of IL									DECLINED TO QUOTE. Cannot be competitive on the dental piece and do not cover LTC.	
UnumProvident (INCUMBENT)									NO RESPONSE TO RFP.	
Wellpoint (Golden West Dental) (INCUMBENT) Wellpoint pays claims; ING is insurer									PROPOSAL PROVIDED BY UNICARE.	

⁽¹⁾ Strength / Secure Ratings	Vulnerable Ratings	
A++ and A+	Superior	B and B-
A and A-	Excellent	C++ and C+
B++ and B+	Very Good	C and C-
		D

NORTH DAKOTA PERS

SECTION II - C

VENDOR RELATIONSHIPS

Proposed Effective Date: January 1, 2007

VENDOR RELATIONSHIPS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Proposal Submitted By ...	Ameritas	Cigna Dental	Delta Dental of MN	MetLife	Mutual of Omaha	Reliance Standard	UniCare	Unimerica
	Formerly Bankers Life Nebraska, Ameritas Life Insurance Corp. was founded in 1887.	Traditional indemnity product underwritten or administered by Connecticut General Life Insurance Company.	Delta Dental of MN is a non-profit health service corporation founded in 1969.		United Concordia has partnered with Mutual of Omaha to offer the DentaBenefits® product. United Concordia is the underwriting company.	Owned by Delphi Financial Group	Wholly owned national operating subsidiary of WellPoint, Inc.	Dental Benefit Providers (DBP) is a subsidiary and the exclusive dental company for United Health Group and part of the company's Specialized Care Services division.
		CIGNA Corporation is ultimate parent company of CIGNA Dental Health subsidiaries and Connecticut General.			United Concordia Companies, Inc. is a wholly owned subsidiary of Highmark, Inc.	Reliance Standard Life Insurance Corp. is working in cooperation with the Ameritas PPO to provide services to NDPERS.	In 1995, UniCare became the brand name for most of the WellPoint business operated outside of CA.	In June 1999, United Health Group became a majority owner (80%) of Dental Benefit Providers (DBP).
					United Concordia Dental Plans (UCDP) is a wholly owned subsidiary of United Concordia Companies, Inc.		In 2003, WellPoint Health Networks and Anthem, Inc. announced merger, creating WellPoint, Inc. in 2004.	In September 2002, United Health Group acquired the remaining 20% of DBP.
					Mutual of Omaha is the exclusive distributor of DentaBenefits.			
Broker/Consultant Involved in Submittal	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Claims Administration	Ameritas	Cigna Dental	Delta Dental of MN	MetLife	United Concordia	Reliance Standard	UniCare	Unimerica
Dental Network	N/A	N/A	Delta Dental	MetLife	United Concordia	Leased from Ameritas	N/A	N/A
Aggregate Stop Loss Carrier	N/A	N/A	Delta Dental of MN	N/A	N/A	N/A	N/A	N/A

PROPOSAL NOTES

Proposed Effective Date: January 1, 2007

VENDOR
Ameritas
Quoted voluntary dental (self-funded and fully insured).
Did NOT quote Aggregate Stop Loss on self-funded dental plan.
Insured plans include a Premium Stabilization Reserve (PSR). If incurred claims are less than expected or target level, the excess funds are placed in the PSR which can be used to stabilize future Network. Although Ameritas does not have a sufficient panel in ND, they have set their panel allowances in anticipation of enrolling more providers in this area.
Ameritas currently insures the NDPERS voluntary vision plan (since 1/1/2003).
- Being involved in both the dental & vision plans would offer efficiencies of coordinating the admin process for both plans. As the vision plan makes the transition to electronic admin, this same approach with the dental plan if desired.
- The same Ameritas administrative team assigned to the NDPERS vision plan would be involved in the dental plan.
Quote valid until: Not specified.
Cigna Dental
Quoted voluntary dental (self-funded and fully insured).
- Quoted their Traditional Indemnity Dental product matching the current benefits as closely as possible.
Did NOT quote Aggregate Stop Loss on self-funded dental plan.
- Currently, do not cover ASL for their dental clients; however, they are willing to partner with an independent stop loss vendor who can offer Dental Aggregate Coverage.
Quoted rates are below current rates.
Have a limited network in ND; however, they are willing to guarantee that if awarded the business, they will contact all Top 50 Dentists provided in the RFP for Network Contracting.
Will explore quoting a Passive PPO in Year 2 should they build out the network as proposed.
Currently, do not cover ASL for their dental clients; however, they are willing to partner with an independent stop loss vendor who can offer Dental Aggregate Coverage.
Recently awarded entire dental offering to the Colorado Public Employee's Retiree Association and "would love to have the ability to show North Dakota PERS what we can offer as well!"
Quote also includes the following:
- Performance Guarantees w/ \$32,000 at risk. Service & Implementation Matching the Proposed with the ability to offer even more.
-> Ability to offer a Recruitment Guarantee as well.
Quote valid until: Not specified.

PROPOSAL NOTES

Proposed Effective Date: January 1, 2007

VENDOR
Delta Dental of Minnesota
Quoted voluntary dental (self-funded and fully insured).
DID quote Aggregate Stop Loss on self-funded dental plan.
Can offer a strong dental network throughout ND.
- For retirees traveling abroad, provide access to emergency dental care at network of credentialed dentists in 137 countries around the world.
Check Payment vs. ACH Payment. NDPERS, as the contracted group purchaser, will need to select one payment method (check or ACH).
- Delta Dental will set up 26 separate bills, which in turn would be either paid by check or through an ACH account set up by NDPERS.
- Delta Dental also has the capability of billing individuals direct, if NDPERS were to pursue this billing method.
Quote valid for 90 days (prepared 6/29/2006).
MetLife
Quoted voluntary dental (fully insured only).
Network. Provided Geo Access Report. Accessibility to a network provider was requested via the Geo Access report.
- Geo Access Report indicates that 7,174 of census participants have access to at least 2 network providers within 20 miles of home zip code (e.g., 34.1% network access).
- Currently only 2 of the network dentists are on the NDPERS' "Top 50" list.
- If awarded the business, would be happy to work from the "Top 50" list to do additional targeted dental recruiting.
Per Cost & Benefit Summary pages, network match = 34%.
Quote valid until 9/28/2006.
Mutual of Omaha
Quoted voluntary dental (fully insured only).
Rates are 5% higher than current.
Provided a quote for Option 3 (Carrier-suggested plan); cannot quote current plan design as they do not have the option of doing an Indemnity only without network plan.
United Concordia has partnered with Mutual of Omaha to offer the DentaBenefits® product. United Concordia is the underwriting company.
Quote valid until: Not specified.

PROPOSAL NOTES

Proposed Effective Date: January 1, 2007

VENDOR
Reliance Standard
Quoted voluntary dental (self-funded and fully insured).
Did NOT quote Aggregate Stop Loss on self-funded dental plan.
NDPERS can choose to offer a High / Low plan by combining any of the Optional 1 Plans (Plans 1a, 1b, 1c, 1d) with the Option 2 Low Plan.
- If NDPERS decides to offer a choice of these plans, NDPERS would need to select one High Plan option and one Low Plan option.
- On the effective date, eligible employees may choose between the High Plan of the Low Plan, or choose to waive coverage. EE must remain in plan until next renewal date.
- At next renewal date, EE is able to switch between the High Plan and the Low Plan without penalty.
- If EE was in the High or Low plan and drops coverage during the annual election period, upon re-enrollment they would be considered a Late Entrant and subject to those provisions.
- If an EE does not elect dental coverage when 1st eligible and elects at another time, the Late Entrant provision would apply. There are no open enrollment periods for this plan.
Network. Do not currently have a PPO network in ND, but are willing to recruit dentists and create a network.
- Per "Plan Requirements and Assumptions," proposal includes a PPO Network. This language is included so that insureds living w/i PPO network area could receive those benefits (e.g., retirees).
- There is not penalty for not utilizing a PPO in those areas, it is just an enhancement for these participants.
- The RSL PPO network is leased from Ameritas and is one of the largest PPO networks in the nation.
- RSL is committed to partnering with NDPERS to make every effort to recruit and maintain a quality PPO network and will target the "Top 50" dentists.
Quote assumes RSL plan is only dental plan offered.
Covered expense allowance for non-PPO dentists are generally based on the 90th percentile of claim charges submitted to RSL during previous 12 months.
- Zip code of dentist's office determines which relative cost area will be used.
Situs state of ND has passed legislation which requires dependent children to be considered covered up to age 22 if not a FTS & up to age 26 if a FTS.
Benefits could be available for all FT, active EEs working at least 30 hours per week and dependents who have completed designated waiting period.
If NDPERS wishes to apply for group coverage, may complete a Preliminary Application for Group Insurance; application will be subject to review and approval.
ASO Proposal Assumptions"
- Fees assume one centralized mailing address for all billing and marketing materials.
Quote valid for 90 days (dated 6/29/2006).

PROPOSAL NOTES

Proposed Effective Date: January 1, 2007

VENDOR
UniCare (WellPoint)
Quoted voluntary dental (self-funded and fully insured).
- Quoted 4 traditional indemnity plans (UniCare Dental Plans 1, 2, 3 & 4). Each plan is offered on a self-funded or fully insured basis.
- Plan 4 is a High / Low Plan allowing EEs to choose a plan. Compared to current dental plan, EEs may save up to 11% in premiums by choosing the High / Low Plan.
Did NOT quote Aggregate Stop Loss on self-funded dental plan.
For past 6 years, have been providing claims processing services to NDPERS through their parent company - WellPoint, Inc. and alliance partner, ING/Reliastar, who is the current dental
Proposal Assumptions:
- Pricing assumes UniCare's standard policies, practices & contracts, and includes the services outlined within proposal.
-> Any requested service beyond those outlined would be subject to approval by UniCare and may result in an additional charge.
-> Pricing assumes all coverages proposed are offered as a single, comprehensive benefit package.
- Billing Administration and Claim Structure. UniCare will prepare system-generated bill, which will show premium due by coverage and rate category (i.e., EE, Dep). Payment will be on a monthly basis.
-> Proposal assumes one billing entity and one claim category for claim reporting purposes.
- Reserve right to re-evaluate fees if substantial plan changes implemented that would impact to auto-adjudicate claim processing or if legislation is passed.
- Run-out claims. Present carrier will retain responsibility for all claims incurred under the prior plan but not yet paid as of the effective date of the UniCare plan.
- Printing expenses. Pricing exhibits exclude printing charges for booklets / certificates and customized forms.
- Proposal assumes claim appeal fiduciary responsibility resides with NDPERS.
- Banking arrangements. Alternate funded rates assume claim funds will be provided by NDPERS' designated bank via electronic transfer on a drafts-issued basis.
- Change in actual vs. quoted enrollment of 10% or more, or enrollment change of 10% or more during plan year, may require rate adjustment.
-> Proposal assumes there will be no more than 7% COBRA enrollees and no more than 5% early retirees.
* If this changes by 10% or more, reserve right to reevaluate proposal.
Quote valid until: Not specified.
Unimerica
Quoted voluntary dental (self-funded and fully insured).
- Quoted only carrier-suggested plan.
Quote valid for 90 days from the issued date. (Issued 7/5/2006.)

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Effective date of 1/1/2007 acknowledged & accepted.	Agree	Agree	Agree	Agree
Specified term for providing benefits under a fully insured arrangement shall be 6 years, subject to renewals every 1 or 2 years, depending on rate guarantee.	Agree	Agree	Agree	Agree
Administrative fees must be guaranteed for a minimum 2-year period.	Agree	Agree	Agree	N/A
Fully insured premium rates (included ASL) must be guaranteed for a minimum 1-year period. NDPERS would prefer an initial 2-year rate guarantee. Subsequent renewals must be guaranteed for at least 12 months.	Agree	Agree	Agree	Agree
Renewals must be submitted 180 days prior to contract renewal date.	Agree	Agree	Agree	Agree
Respondent's contract termination provision may not require more than 120-day notice and can occur only at renewal. NDPERS can terminate coverage at any time. There must be no penalties for late notification or for termination off anniversary.	NDPERS may terminate contract as of any premium due date by giving notice before the date.	Agree. Cigna's standard policies are automatically renewed. NDPERS may cancel the policy as of any premium due date by giving written notice before that time; typically require 60-day notice.	Agree	Disagree. NDPERS can end policy by giving 60 days advance written notice to MetLife. The policy will end on the later of: (1) date stated in notice; or (2) date MetLife receives the notice.

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
<p>Continued. Respondent's contract termination provision may not require more than 120-day notice and can occur only at renewal. NDPERS can terminate coverage at any time. There must be no penalties for late notification or for termination off anniversary.</p>	<p>Ameritas may terminate the policy on the earlier of the following: (1) Any premium due date if the participation requirements in "Conditions for Personal Insurance." Dependent insurance may be terminated if dependent participation does not meet the requirements in "Conditions for Personal Insurance." Written notice of termination must be given 45 days before the date of termination. (2) Any premium due date on or after the 1st anniversary date for reasons other than lack of participation. Written notice of termination must be given to policyholder at least 60 days before date of termination.</p>	<p>Cigna Dental may cancel the policy as of any premium due date if the number of covered EEs is less than 25 or less than 65% of those eligible. Dependent coverage may be canceled as of any premium due date if the # of EEs covered for their dependents is less than 65% of those eligible. If a premium is not received when due, the policy will automatically be canceled as of the premium due date except for applicable grace periods. Do not assess penalties for an off-anniversary termination. However, for those groups that have a Section 125 arrangement, there may be tax implications if the contract is terminated prior to the renewal date.</p>		<p>MetLife can end the policy as follows: (1) on the date premium is not paid when due, subject to grace period; (2) on any premium due date, by giving policyholder 31 days advance written notice, if the participation requirements are not met; (3) on any premium due date by giving policyholder 60 days advance written notice, if the policyholder fails to provide info on a timely basis or perform any obligations required by the policy or any applicable law; or (4) on any policy anniversary, by giving policyholder 31 days advance written notice.</p>
<p>Respondents must have all applicable licenses required in the state of ND or agree to obtain necessary licensure prior to effective dates of coverage.</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>
<p>Vendor responsible for producing SPD. NDPERS reserves right to review / revise prior to printing.</p>	<p>Agree</p>	<p>Agree.</p>	<p>Agree</p>	<p>Agree</p>
<p>Fully insured arrangement</p>		<p>Will furnish NDPERS with paper or electronic copies of insurance certificates that may be sufficient to serve as SPD; no charge. If NDPERS feels additional material is necessary to form the SPD, NDPERS will be responsible for drafting & distributing that document to EEs. Cigna will review an SPD draft upon request at no additional charge.</p>		

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Self-funded arrangement		NDPERS is responsible for ensuring compliance with all state-mandated requirements. Cigna will prepare & provide a draft SPD at no additional cost, which may be adequate to serve as NDPERS' SPD. Drafts will be provided electronically via PDF files. Cigna can also supply printed drafts or completed booklets for an additional fee. Fee will be based on the coverage & services provided.		
Vendor agrees to provide SPD draft within 120 days of effective date.	Agree	Agree	Agree	Agree
Vendor agrees to provide an electronic version of the SPD that NDPERS can post on their website.	Agree	Agree	Agree	Agree
Insured dental coverage must be provided on no-loss / no-gain basis for all covered participants so the current group does not suffer a loss of benefit solely due to transfer of coverages.	Ameritas does not provide replacement coverage on a No Loss / No Gain basis.	Agree	Agree	Agree
Respondents agree they will proactively manage the transition of coverage from the subsequent carrier.	Agree	Agree	Agree	Agree
Respondents agree to comply with existing administration of NDPERS. Any modifications needed to accommodate NDPERS data will be done at vendor's expense.	Agree	Agree	Disagree. Note minor variations: (1) <u>Dental Claims Section</u> . Do not deny claims based on submission date. Delta would like the opportunity to discuss further. (2) <u>ID Card and Certificate Distribution Section</u> . Can provide generic ID cards, but prefer to provide personalized ID cards upon receipt of completed enrollment information. Have found members prefer personalized ID cards.	Disagree. MetLife is willing to discuss upon being names a finalist.
In compliance with all HIPAA Privacy and EDI requirements	Agree	Agree	Agree	Agree

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
In compliance with all HIPAA Security Regulations.	Agree	Agree	Agree	Agree
Reviewed & accept Plan's eligibility provisions.	Agree	Agree	Agree	Agree
Agree there are no participation requirements.	Agree	Agree	Agree. If participation decreases by more than 10% from current enrollment, reserve right to adjust rates.	Agree. MetLife is fine with the current participation levels; if there is a significant downsizing, would discuss further.
NDPERS reserves the right to audit the carrier.	Agree	Agree	Agree	Agree. See stipulations under "Minimum Conditions" section (Q# 20).
Claims experience must be provided at least annually at renewal.	Agree	Agree	Agree	Agree
Respondents must meet all requirements of the ND Century Code, including 54-52.4 and all requirements in the ND Administrative Code, including 71-03.	Agree	Agree	Agree	Agree. Upon being named a finalist, MetLife's legal department can review the code in question. However, they comply with all applicable federal, state and local employment laws, rules, regulations, orders and ordinances.
Carrier must agree to provide a primary corporate contact for NDPERS servicing client support.	Agree	Agree	Agree	Agree
Proposal provided in timely fashion.	Yes	Yes	Yes	Yes
Provided electronic version of proposal.	Yes	Yes	Yes	Yes
Signed Signature Page included.	Yes	Yes	Yes	Yes

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Deviations noted?	No deviations noted. "... believe this proposal to be very accurate to your bid specifications. We are sure you'll find that our proposal compares favorably to your current or prior dental coverage, though any ultimate contract shall speak for itself and does not necessarily represent an exact duplication of your current plan.	Have provided their Indemnity Plan Designs in proposal.	No deviations noted.	\$10 copay for Type A (Preventive) Services has been removed.
Deviations noted? (Continued)		Can agree to all Performance Guarantees except for a slight variation on the Member Appeals. Will agree to 95% resolution within 30 days and 98% within 60 days.		

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Effective date of 1/1/2007 acknowledged & accepted.	Agree	Agree	Agree	Agree
Specified term for providing benefits under a fully insured arrangement shall be 6 years, subject to renewals every 1 or 2 years, depending on rate guarantee.	Agree	Agree	Agree	Agree
Administrative fees must be guaranteed for a minimum 2-year period.	Agree	Agree	Agree	Agree
Fully insured premium rates (included ASL) must be guaranteed for a minimum 1-year period. NDPERS would prefer an initial 2-year rate guarantee. Subsequent renewals must be guaranteed for at least 12 months.	Agree	Agree	Agree. Fully insured rates are guaranteed for 2 years. Provided renewal rates for 3 additional 12-month periods.	Agree
Renewals must be submitted 180 days prior to contract renewal date.	Agree	Agree	Agree	Agree. Although Unimerica generally provides renewals a minimum of 60 days before the renewal date, they can agree to provide the renewal notification at other time intervals as determined by the customer & mandated by state regulation.
Respondent's contract termination provision may not require more than 120-day notice and can occur only at renewal. NDPERS can terminate coverage at any time. There must be no penalties for late notification or for termination off anniversary.	Agree	Disagree. NDPERS may terminate contract as of any premium due date by giving written notice before that date.	Disagree. Under an insured arrangement, if the NDPERS dental plan is subject to HIPAA regulations, an insurer may not terminate a contract except for cause. See addendum, in response to the NDPERS contract provisions, for more detailed information. Under a self-funded arrangement, either party may terminate the contract upon 30 days written notice to the other party. In addition, either party may terminate the contract within other specified time periods when termination is for cause. See addendum, in response to the NDPERS contract provisions, for more detailed information.	Agree. NDPERS can terminate at any time with 30 days advance notice. There are no additional restrictions or penalties for termination off the agreement period.

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
<p>Continued. Respondent's contract termination provision may not require more than 120-day notice and can occur only at renewal. NDPERS can terminate coverage at any time. There must be no penalties for late notification or for termination off anniversary.</p>		<p>RSL may terminate policy on the earlier of: (1) Any premium due date if the participation of insureds does not meet the requirements in "Conditions For Personal Insurance." Dependent insurance, if in the policy, may be terminated if dependent participation does not meet requirements in "Conditions for Dependent Insurance." Written notice of termination of insurance must be given to NDPERS at least 45 days before date of termination. (2) Any premium due date on or after the 1st Anniversary Date for reasons other than lack of participation. Written notice of termination of insurance must be given to NDPERS at least 60 days before date of termination.</p>		<p>Unimerica may terminate coverage at any time for cause (e.g., non-payment of fees) and with 30 days advance notice.</p>
<p>Respondents must have all applicable licenses required in the state of ND or agree to obtain necessary licensure prior to effective dates of coverage.</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>
<p>Vendor responsible for producing SPD. NDPERS reserves right to review / revise prior to printing.</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>	<p>Agree</p>
<p>Fully insured arrangement</p>			<p>Under an insured arrangement UniCare issues certificates of insurance, filed with the ND DOI. Any changes requested by NDPERS may require filing and are contingent on approval from the DOI.</p>	<p>United Healthcare medical health plan contract department can provide a dental Certificate of Coverage (COC) at no additional cost to customer.</p>

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Self-funded arrangement				Willing to review all employer-produced SPDs prior to finalization to ensure that the language represents the plan correctly. Will assist the customer with production of SPDs by providing sample language and recommendations as needed.
Vendor agrees to provide SPD draft within 120 days of effective date.	Agree	Agree	Agree	Agree. Approved SPD drafts are delivered 120 days after the effective date of the plan.
Vendor agrees to provide an electronic version of the SPD that NDPERS can post on their website.	Agree	Agree	Agree. Subject to UniCare's receipt of an executed hold harmless agreement.	Agree. Can provide SPDs / COCs in English in a PDF, Microsoft Word, or HTML format for online Intranet use.
Insured dental coverage must be provided on no-loss / no-gain basis for all covered participants so the current group does not suffer a lost of benefit solely due to transfer of coverages.	Agree	RSL does not provide replacement coverage on a No Loss / No Gain basis.	Agree. Subject to any extension of benefits provisions under the prior carrier's insurance.	Agree
Respondents agree they will proactively manage the transition of coverage from the subsequent carrier.	Agree	Agree	Agree	Agree
Respondents agree to comply with existing administration of NDPERS. Any modifications needed to accommodate NDPERS data will be done at vendor's expense.	Agree	Agree	Agree. Except as noted, UniCare can comply with the existing administration of the NDPERS dental plan. With respect to modifications, UniCare requests further discussion & clarification as to what modifications may be required. Will gladly discuss this with NDPERS once identified as a finalist.	Agree
In compliance with all HIPAA Privacy and EDI requirements	Agree	Agree	Agree	Agree

NORTH DAKOTA PERS

SECTION II - E

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
In compliance with all HIPAA Security Regulations.	Agree	Agree	Agree	Agree
Reviewed & accept Plan's eligibility provisions.	Agree	Agree	Agree	Agree
Agree there are no participation requirements.	Agree. Per response to Minimum Conditions. Proposal requires that the participation should be at least or greater than number currently enrolled in the plan.	Agree	Disagree. In accordance with their contract provisions & Proposal Assumptions, if participation does change by an amount listed in the contract they reserve the right to re-evaluate quoted rates.	Agree. The minimum participation required for their Voluntary products is 2 members (8 members for a plan with Orthodontic benefits).
NDPERS reserves the right to audit the carrier.	Agree	Agree	Agree. <u>ASO</u> - Subject to UniCare's audit guidelines. <u>Insured</u> - UniCare can agree to permit NDPERS to audit eligibility & premium billing data in accordance with UniCare's audit guidelines. Audits of claims are not permitted except under certain circumstance. UniCare agrees to further discussion on NDPERS' audit requirements under an insured funding arrangement.	Agree. External auditors can review a sample of paid or denied claims and related claim documentation for a client's EEs and/or dependents. Unimerica's permission is subject to conditions outlined in proposal Section V (response to Q #20).
Claims experience must be provided at least annually at renewal.	Agree	Agree	Agree	Agree
Respondents must meet all requirements of the ND Century Code, including 54-52.4 and all requirements in the ND Administrative Code, including 71-03.	Agree		Agree	Agree
Carrier must agree to provide a primary corporate contact for NDPERS servicing client support.	Agree	Agree	Agree	Agree
Proposal provided in timely fashion.	Yes	Yes	Yes	Yes
Provided electronic version of proposal.	Yes	Yes	Yes	Yes
Signed Signature Page included.	Yes	Yes	Yes	Yes

MINIMUM CONDITIONS

Proposed Effective Date: January 1, 2007

MINIMUM CONDITIONS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Deviations noted?	No deviations noted.	No deviations noted. "... believe this proposal to be very accurate to your bid specifications. We are sure you'll find that our proposal compares favorably to your current or prior dental coverage, though any ultimate contract shall speak for itself and does not necessarily represent an exact duplication of your current plan.	See Administration Requirements (Section 13, item 3).	Cannot quote the \$10 copay in current NDPERS' plan; are offering a straight coinsurance plan.
Deviations noted? (Continued)			See Dental Questionnaire (Section 9) re 3-year provision for re-enrollment.	
			See above regarding: (1) 120-day notice of termination, (2) participation requirements and (3) audit.	
			See Response to NDPERS' Contract Provisions in the Exhibits section for explanation on other deviations.	
			See addendum re "will you hold client harmless?"	
			Proposed their own Performance Guarantees.	

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
FIRM / ORGANIZATION				
Ratings -> A.M. Best -> Moody's -> Standard & Poor's	A A1 AA	A- A- A3	A Not rated AA-	A+ Aa2 AA
Corporate headquarters location	Lincoln, NE	Bloomfield, CT	Eagan, MN	New York, NY
# groups with over 5,000 employees	21 dental & eye care groups	8	39	Information requested is not available. However, as of 12/05, MetLife's covered over 20 million dental lives.
Provided company's organization chart. (Yes / No)	Provided summary in response to questionnaire. (See proposal, page 20 of 76.)	Yes. (See Exhibit A.)	Yes. (See Exhibit A.)	Yes. (See Samples Section.)
Provided company's most recent financial statement. (Yes / No)	Yes. (See notebook.)	Yes. (See Exhibit B.)	Yes. (See Exhibit B.)	Available on web site.
Errors & Omissions Policy (Yes / No) Will you hold the client harmless for suits resulting from your actions or omissions?	Yes Ameritas will accept financial responsibility for any processing errors that result from gross negligence by Ameritas.	Yes <u>Fully Insured</u> - Contracts do not contain an indemnification provision. However, Cigna will indemnify & hold ER, etc. harmless. <u>ASO</u> - Cigna shall use ordinary & reasonable care in performance, but shall not be liable to the ER for mistakes of judgment or other actions taken in good faith. Cigna will indemnify & hold the ER harmless from & against all extra-contractual (non-benefit) costs, damages, etc. which occur as result of Cigna's gross negligence or intentional wrongdoing with respect to administration of claims under the plan.	Yes Yes	Yes (Samples Section). "MetLife maintains professional liability insurance coverage in connection with dental claims management including the Preferred Dentist Program.

NORTH DAKOTA PERS

SECTION II - F

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
Comprehensive General Liability Policy (Yes / No)	Yes	Yes	Yes	Yes
Fidelity Bond (Yes / No)	Yes	Yes	Yes	Yes
What is the average size employer you cover?	32 (includes trust business)	Work with clients of all sizes; target multi-site ERs with more than 500 EEs. Average sizes: (1) DHMO = 773; (2) PPO = 3,596; (3) Indemnity = 1,600; Overall average size = 1,990.	151 (with range from 2 EEs to 100,000 EEs)	Statistics not available as requested; however, currently provide dental insurance to 43 of the top 100 Fortune 500 companies.
Customer Service Office - Location	Lincoln, NE	Sherman, TX	Gilbert, MN	Utica, NY & Tulsa, OK
Claims Office - Location	Lincoln, NE	Sherman, TX	Eagan, MN & Gilbert, MN	Utica, NY
Where is primary liaison based?	Lincoln, NE	Denver, CO	Eagan, MN	Aurora, IL
Provided a detailed implementation plan assuming a 9/06 contract award date, 10/06 open enrollment and 1/07 plan effective date. (Yes / No)	Outline provided in response to questionnaire.	Yes. (See C.)	Yes. (See Exhibit C)	Yes. (See Samples Section.)
For the dental plan, agree to comply with proposed medical plan Performance Guarantees?	Yes, with modifications noted in Section VI - Performance Guarantees. Only modification is in 15-day turnaround time for ID cards (as opposed to 10-day period outline in RFP.)	Yes; have included <u>their</u> proposed Performance Guarantees in the Cost Exhibits. Can agree to all Performance Guarantees except for a slight variation on the Member Appeals. Will agree to 95% resolution within 30 days and 98% within 60 days. Performance Guarantee = \$32,000 placed at risk. Have the ability to offer a Recruitment Guarantee as well.	No; included <u>their</u> Performance Guarantees, as well as the Implementation Guarantee. (See Section 5.) Performance Guarantee = \$25,000 placed at risk. Implementation Guarantee = up to \$15,000 placed at risk.	No; included <u>their</u> Performance Guarantees in the Cost and Benefit Summary (see page 12).
References - client name only	New Hanover Regional Medical Center (Wilmington, NC)	Public Employees Retirement Association of Colorado [PERA] (Denver, CO)	Ramsey County (St. Paul, MN)	Maricopa County College District (AZ)
	Winston-Salem / Forsyth County Schools (Winston-Salem, NC)	Arcadis (Highlands Ranch, CO)	Dakota County (Hastings, MN)	City of Tempe (Tempe, AZ)
	Crete Carrier Corporation (Lincoln, NE)	Information Handling, Inc. (Englewood, CO)	Saint Louis County (Duluth, MN)	Centura Health (Denver, CO)
Former Client	Key Corp.	City of Albuquerque (Albuquerque, NM)	Lutheran Brotherhood [Thrivent Financial] (Minneapolis, MN)	Mobil Mini
- Reason for Termination	Company acquisition; mandatory to change insurance to merged Company's coverage.	Dental termed; still active on medical.	Lost due to merger with Thrivent Financial based in WI.	Pricing issue. The client's medical carrier gave a large discount on the medical coverage in order to secure the dental coverage.

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
IMPLEMENTATION, ENROLLMENT, ETC.				
Do you require a deposit?	Yes, for fully insured plan.	No	No	Yes
If so, how much is required?	Binder premium of at least 80% of 1st month's premium for fully insured plans.	N/A	N/A	Require a signed application & binder check in order to start implementing a fully insured customer. Amount not specified.
Can the deposit requirement be waived?	No, if fully insured.	N/A	N/A	During finalist stages, willing to discuss.
What mediums do you accept for plan enrollment?	<p>Paper Group Enrollment Forms can be used for enrollment. Electronic eligibility management is a current capability available. Can receive eligibility electronically via phone modem transfer, diskette, or an e-mail attachment. Frequency is base on size of case & volume of EE status changes.</p> <p>Offer eServices including (1) eEnroll - online processing of enrollment / changes & detailed member lists, (2) eBill - online billing and billing history, and EFT/Online bill payment.</p>	<p>Have 3 processing options for establishing & maintaining eligibility files: (1) Automated Eligibility: client sends info on magnetic tape, cartridge, diskette or electronically; (2) Internet: client submits info via web site or on-line ER portal; (3) Manual Eligibility: client uses paper enrollment forms.</p>	Tape, diskette, via web or paper.	MetLife will provide enrollment forms, which they prefer to be translated by the ER into an electronic eligibility file for submission to MetLife.
Offer online eligibility maintenance for all clients?	No, not for all clients; the minimum lives requirement for acceptance of electronic eligibility is 250.	Yes	Yes; all clients have a choice of electronic, online or manual eligibility reporting.	Yes. Accept eligibility updates electronically or via hard copy. Prefer to receive eligibility in non-paper formats & have variety of options available including MetLink®, MetLife's internet-based benefits administration application.
If so, is there a charge?	No	No	No	No; however, customer is responsible for the cost of their internet connection.
Is there a charge for hard copy maintenance?	No	No	No	No; not preferred method. (See 7/26/06 e-mail.)
Can you maintain membership by employee and dependent?	Yes. Can maintain covered dependent info; if service is desired, client needs to notify the representative prior to policy's initial enrollment.	Yes	Yes	Yes

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
NDPERS has very specific administration requirements. You have reviewed and understand all of the administration requirements?	Agree	Agree	Agree	Agree
You can and agree to comply with all of the administration requirements, as outlined?	Yes	Yes	No - as outlined below: Dental Claims Section. Do not deny claims based on submission date. Would like the opportunity to discuss further. ID Card & Certificate Distribution Section. Can provide generic ID cards, but prefer to provide personalized ID cards upon receipt of completed enrollment information. Have found members prefer personalized ID cards.	Yes. In general MetLife agrees to comply with the admin requirements outlined. Would need to discuss in more detail to fully understand all of the requirements.
GENERAL ADMINISTRATION				
What resources can you provide for the open enrollment process?	Variety of materials including payroll stuffers & posters. Can also develop communication materials customized with client's name, plan design & other special client needs.	Will assist with on-site enrollment meetings & enrollment strategy support. Client manager & dental client manager will discuss enrollment strategies with NDPERS. Specific # of required enrollers & sessions will be determined as part of the enrollment strategy. A client manager, an installation manager or specialist, a sales representative, or other Cigna reps may be present for the meeting.	Will provide full communication & staffing for open enrollment.	Provide following EE enrollment materials: (1) EE brochures, (2) Plan Overview, (3) answers to commonly asked questions, (4) enrollment & claim forms, (5) large envelopment to house materials, (6) PDP Dentist Nomination Card.
	Customized payroll stuffers, meeting notices, plan highlight sheets & enrollment forms are a few of the materials Ameritas can customize upon request.	Also have standard benefits meeting tools available to help NDPERS conduct their own meetings. Tools include: pre-written e-mail templates, posters, payroll stuffers, PowerPoint presentations, flyers & meeting preparation tips.		If materials other than those listed above were to be utilized, pricing would be based on the specific materials provided.
	Rates assume Ameritas will provide some communication materials at no additional charge; happy to discuss specific requests & provide any additional cost estimates that may apply.			
Will you provide staff to assist with open enrollment?	Make every effort to provide 1 of their representatives to assist in the dental benefit meetings. Also encourage the group's broker to assist in the meetings.	Yes, as indicated above.	Yes	Upon request, and within established guidelines, onsite EE enrollment meetings can be conducted at locations with more than 100 eligible EEs.

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
If so, under what conditions?	Ameritas would partner with NDPERS regardign their need to customize best approach to enrollment process based on locations and timeline, and on past experience for groups of similar size, and case characteristics. Suggest conduct enrollment meetings using Ameritas Associates to present benefit options in the 5-6 locations w/ highest EE populations. For smaller locations, suggest an alternate communication method (e.g., e-mail, planned presentations via video, etc.).	See above	Will provide all needed staff to handle open enrollment requirements.	Onsite Services Team member would be made available. See below for types of services. Additional support can be made available for an additional fee.
Site visits?	See above	See above	Yes	Strategy for onsite visits will be determined by customer's objectives, level of support the customer agrees to provide to the onsite event, & benefit offerings. Can provide: group informational meetings, group meetings followed by individual enrollment assistance), group decision meetings, visibility days, health/benefit fairs, EE sessions for individual assistance, train-the-trainer sessions.
Do you require mandatory meetings?	No	No	No	No
With respect to dental ID cards:				
Do you charge a fee for card preparation?	No	No	No	N/A. Since members are not required to select a dentist; plan member reference cards are not necessary. Eligibility verification is easily obtained in real-time by plan member through website.
Can you put the plan sponsor's name and logo on the ID cards?	No; ID card is standard in format.	There are no ID cards. Since members can visit any licensed dentist, they do not receive ID cards.	Yes	N/A
If so, is there an additional charge for this?	N/A	N/A	Not specified; but, according to response above, they prefer personalized ID cards.	N/A

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
Will you agree to submit to an independent audit?	Yes	Yes	Yes	Yes
Under what conditions?	<p>Willing to allow policyholder or its designated agent to audit RSL's performance under the contract.</p> <p>Any travel, room & board costs of auditors would be at the policyholder's expense. Other costs would be negotiated with the policyholder.</p>	<p>Require 45-day advance written notice. Subject to confidentiality & proprietary concerns, documents relating to claims payments & eligibility records & aggregate info relating to credentialing, member complaints & quality matters shall be made available to ER during regular business hours at the place(s) of business maintained by Cigna. Any audit shall be conducted pursuant to an Audit Agreement in a form acceptable to Cigna. No more than 1 audit may occur per year & no audit shall review claims paid more than 2 years prior to the date of the audit. There are charges associated with an external audit due to the time & resources required.</p> <p>ASO clients get 1 free audit per plan if they have at least 5,000 EEs.</p>	<p>Audit relates only to transactions covered by the current contract, the audit occurs during regular business hours, 2-3 week advance notice is provided, and customer is responsible for the cost of their own staff or consultants brought to perform the audit.</p> <p>NOTE: Delta issues an SAS 70 Type II report annually which is available upon request.</p>	<p>Would require a small amount of advance notice; must be received at least 1 month in advance. Within notification, need to know type of audit being conducted, as well as sample size. Are prepared to instruct auditors as to how to access the claim history files, eligibility files, or other aspects of the claim operation. Would also provide workspace & make available their supervisory personnel if auditors wish to discuss aspects of the operation.</p>
Is EOI a requirement under ANY part or parts of the plan proposed by your company?	No	EEs & dependents should be enrolled within 30 days of their eligibility or during group open enrollment. Cigna may require DOI for Late Enrollees.	No	No
HIPAA				
Does your system support on-line, real-time <u>eligibility</u> inquiries?	Yes	Yes	Yes; can receive a 270 eligibility inquiry real-time and return a 271 eligibility response.	Yes
Does your system support on-line, real-time <u>claim status</u> inquiries?	Yes	Yes	Yes; can receive a 276 claims inquiry real-time and return a 277 claims response.	No. EEs can check the status of a claim online, via the MyBenefits website. This is not in real time. Dental claims status is updated nightly.
CUSTOMER SERVICE / SATISFACTION				
Where will the client's management team be based?	Lincoln, NE	To be identified at a later date.	Eagan, MN & Gilbert, MN	Aurora, IL

NORTH DAKOTA PERS

SECTION II - F

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
TECHNOLOGY				
Which of the following tasks can <u>members</u> perform online?				
- Enrollment (new hires & open enrollment)		X		
- Changes in status		X		
- Claim inquiry	X	X	X	X
- Provider search	X	X	X	X
- ID card request	X	X	X	X
- Electronic EOB			X	X
- Terminations				
- Access provider directories		X	X	X
- Other			Access to oral health information	MyBenefits on website
Which of the following tasks can <u>plan administrator / sponsor</u> perform online?				
- Enrollment (new hires & open enrollment)	X	X	X	X
- Changes in status	X	X	X	X
- Billing	X			X
- Claim inquiry	X	X		
- Provider search	X	X	X	
- ID card request	X	X		
- Electronic EOB				
- Terminations	X	X	X	X
- Access provider directories	X	X	X	X
- Other			Access to oral health information	MyBenefits on website
Is there an additional charge for online services?	No	No	No	No
Are dental provider directories available online?	Yes	Yes	Yes	Yes

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of MN	MetLife
REPORTING				
Can you provide reports on a quarterly basis?	Yes	Yes	Yes	Yes
Are special or ad hoc reports available?	Yes	Yes	Yes; available based upon client needs.	Yes
Additional cost?	Cost based on frequency & complexity of reports. Willing to discuss any specialized reports that client desires.	Exact costs depend on the volume & complexity of the request, although custom reports generally cost between \$500 & \$750 per request.	Applicable cost, if any, varies depending on complexity of report & necessary programming time.	Charges may apply; vary by report & are both volume & production mode sensitive. Depending upon complexity, reports require a minimum of 2-3 weeks notice.
If there are additional fees, are they generated on a fixed cost per report or billed on an hourly basis?	Not specified	Generally cost between \$500 & \$750 per request.	If required, billed on an hourly basis at \$100 per hour.	Not specified

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
FIRM / ORGANIZATION				
Ratings -> A.M. Best -> Moody's -> Standard & Poor's	<i>United Concordia's Ratings:</i> A- Aa3 AA-	A A3 A	A A1 A+	A Not currently rated by Moody's Not currently rated by S&P's
Corporate headquarters location	Harrisburg, PA	Philadelphia, PA	Indianapolis, IN	Baltimore, MD
# groups with over 5,000 employees	42	73	Not specifically addressed. Handle approximately 31,000 accounts. Of those, 28,000 are considered small group accounts with 2 - 50 members. The remaining 3,000 clients are large group accounts with more than 50 members per group.	39
Provided company's organization chart. (Yes / No)	No.	No. "Various functional departments that support the customer service function include: (1) Group Customer Relations, (2) Group Marketing & Managed Care, (3) Group National Accounts & Underwriting and (4) Group Actuarial.	Yes. (See Dental Organization Chart in the Exhibits Section.)	Yes. (See Tab 5.)
Provided company's most recent financial statement. (Yes / No)	No. United Concordia's financial size is VII (\$50-\$100 million). Upon finalist status, financial statement can be provided.	Yes	Available on web site.	Yes. (See Tab 9.)
Errors & Omissions Policy (Yes / No) Will you hold the client harmless for suits resulting from your actions or omissions?	Yes If litigation or arbitration proceedings are commenced by a member or dentist against United Concordia or NDPERS or both, in conjunction with payment of claims or plan benefits, certain procedures are followed as outlined on pages 19 - 21 of proposal.	Yes "As covered under policy."	Yes See addendum in response to NDPERS contract provisions, for more detailed information.	Yes Will indemnify and hold harmless with respect to any losses, liabilities, penalties, fines, costs, damages and expenses client incurs which arise out of Unimerica's gross negligence or willful misconduct in performance of their obligations under agreement; however, they expect a reciprocal provision.

NORTH DAKOTA PERS

SECTION II - F

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Comprehensive General Liability Policy (Yes / No)	Yes	Yes	Yes	Yes
Fidelity Bond (Yes / No)	Yes	Yes	Yes	Yes
What is the average size employer you cover?	Over 1,000 EEs. (This is skewed by several large governmental entities.)	145	Groups with 5 - 50 employees.	174 members
Customer Service Office - Location	Williamsport, PA	Lincoln, NE	Camarillo, CA	San Antonio, TX
Claims Office - Location	Harrisburg, PA	Lincoln, NE & Wayne, NE	Camarillo, CA	International Falls, MN
Where is primary liaison based?	Denver, CO	Greenwood Village, CO (Account Manager will be in Lincoln, NE)	Colorado Springs, CO	Will name an account manager if selected as a finalist.
Provided a detailed implementation plan assuming a 9/06 contract award date, 10/06 open enrollment and 1/07 plan effective date. (Yes / No)	Yes; plan provide although dates are not filled in. (See Exhibit G.)	Outline provided in response to questionnaire.	Yes. (See Exhibits Section.)	Yes. (See Tab 3.)
For the dental plan, agree to comply with proposed medical plan Performance Guarantees?	No; Performance Guarantees are not available on Voluntary plans.	Yes, with modifications noted in Section VI. Performance & Quality Guarantees = equivalent of 1 month's average service fee (excluding broker fees or commissions, if applicable) placed at risk. Claim Management Guarantees = refund 1 full month's ASO fees less commissions paid.	No; included <u>their</u> proposed Performance Guarantees. (See Exhibit 3). Fully Insured - 1% of premium at risk. ASO - 5% of annual fees at risk.	No; included <u>their</u> proposed Performance Guarantees. (See Tab IV.) Fully Insured - 1.2% of annual premium at risk. ASO - 15% of ASO fees at risk.
References - client name only	Cabelas' (Sidney, NE)	Fluor Corporation (Aliso Viejo, CA)	California Association of Highway Patrolmen (Sacramento, CA)	Comcare (Auburndale, FL)
	City of Santa Fe (Santa Fe, NM)	Lincoln County Schools (Afton, WY)	Los Angeles City Employees Retirement System - LACERS (Los Angeles, CA)	Washington Teachers' Union (Washington, DC)
	Junior Achievement (Colorado Springs, CO)	Virtua Health (Voorhees, NJ)	FedEx Kinko's (Dallas, TX)	Gary Community Schools (Gary, IN)
Former Client	Public Employees Retirement Association (Denver, CO)	D.L. Davis & Co. (Winston-Salem, NC)	Pharmavite (Northridge, CA)	Comal Independent School District 550 (New Braunfels, TX)
- Reason for Termination	Not specified	Lost to a new broker who obtained the account from the RSL broker; new broker put account out to bid and went with a lower priced carrier.	Parent company consolidating dental coverages.	Not specified

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
IMPLEMENTATION, ENROLLMENT, ETC.				
Do you require a deposit?	Yes	Yes, for fully insured plan.	No	Yes, for self-funded plan.
If so, how much is required?	Require 1st month's premium equivalent to bind coverage.	Binder premium of at least 80% of 1st month's premium for fully insured plans.	N/A	To be determined by Underwriting Department, based on claims history.
Can the deposit requirement be waived?	Deposit waivers have been granted to public entities previously.	No, if fully insured.	N/A	No
What mediums do you accept for plan enrollment?	Accept enrollment, changes, terminations in following submissions: (1) manual hard copy via paper, mail or fax; (2) on-line web enrolment; (3) electronic submissions provided that eligibility member reporting layout is tested & pre-approved before submissions so can verify that it contains all pertinent data & criteria. NOTE: Will require membership rostering of all EEs & eligible dependents regardless of type of submission selected.	Paper Group Enrollment Forms can be used for enrollment. Electronic eligibility management is a current capability available. Can receive eligibility electronically via phone modem transfer, diskette, or an e-mail attachment. Frequency is base on size of case & volume of EE status changes. Offer eServices including (1) eEnroll - online processing of enrollment / changes & detailed member lists, (2) eBill - online billing and billing history, and EFT/Online bill payment.	Standardly offer paper, disk & electronic tape to tape transfer to report initial case set-up & ongoing eligibility transactions. UniCare also offers an option to transmit maintenance eligibility transactions online via the internet.	Standard is to receive eligibility data via Internet File Transfer Protocol (FTP). Accept the following eligibility layouts: (1) United Healthcare 3005 file format - their standard electronic format; (2) HIPAA-compliant 834 file format - the industry's standard format; (3) HR-SML file format - an emerging Internet transaction standard for enrollment & eligibility processing.
Offer online eligibility maintenance for all clients?	Yes. Web Administration System allows for ability to view & update eligibility & enrollment info for list billed groups. Updates are made in real-time. Also, via web site.	No, not for all clients; the minimum lives requirement for acceptance of electronic eligibility is 250.	Yes	Yes
If so, is there a charge?	No	No	No	No
Is there a charge for hard copy maintenance?	No	No	No	No
Can you maintain membership by employee and dependent?	Yes	Yes. Can maintain covered dependent info; if service is desired, client needs to notify the representative prior to policy's initial enrollment.	Yes	Yes

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
NDPERS has very specific administration requirements. You have reviewed and understand all of the administration requirements?	Agree	Agree	UniCare is able to administer the dental plan described in the RFP, subject to filing and approval of the DOI for certain provisions under their insured contract.	Agree
You can and agree to comply with all of the administration requirements, as outlined?	Yes	Yes	UniCare is able to administer the dental plan described in the RFP, subject to filing and approval of the DOI for certain provisions under their insured contract.	No; cannot administer the tracking and notification of members approaching the limiting age for COBRA.
GENERAL ADMINISTRATION				
What resources can you provide for the open enrollment process?	Not specified	Variety of materials including payroll stuffers & posters. Can also develop communication materials customized with client's name, plan design & other special client needs.	Account Management Team will be available to provide whatever on-site support is needed during the enrollment process.	Upon request, will provide dental product specialists to assist with open enrollment activities. Will help coordinate the open enrollment sessions, conduct large site enrollment meetings & organize enrollment sessions webcasts, if applicable.
		Customized payroll stuffers, meeting notices, plan highlight sheets & enrollment forms are a few of the materials RSL can customize upon request.	Propose site visits to major locations & a communication program that would mirror the site visit information for the smaller locations.	Can provide "train the trainer" sessions for HR staff.
	"Train the trainer" sessions with sub-group administrators. Other enrollment resources available depending upon client requirements.	Rates assume RSL will provide some communication materials at no additional charge; happy to discuss specific requests & provide any additional cost estimates that may apply.	Intent is to work closely with NDPERS to propose a cost-effective communication package without compromise to the information imparted.	
Will you provide staff to assist with open enrollment?	Yes, if required.	Make every effort to provide 1 of their representatives to assist in the dental benefit meetings. Also encourage the group's broker to assist in the meetings.	Can also propose a "train the trainer" program if desired.	Yes; see above.

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
If so, under what conditions?	Preferred method is to provide opportunities for the sub group administrators to attend a "train the trainer" session. However, other enrollment resources available depending on client requirements.	Will provide representation for enrollment meetings at all locations with a significant EE population. Do not provide a "blanket" guarantee to discourage significant travel for locations with less than 100 EEs in one location. For those locations where there are smaller numbers of EEs, happy to conduct enrollment meetings via videotape.	See above.	Representatives can attend meetings at locations with larger EE populations & conduct train-the-trainer sessions for HR staff.
Site visits?	This has not been priced specifically for this client as the requirements were not specified.	Yes	Yes - see above.	Willing to discuss upon request.
Do you require mandatory meetings?	No	No; although RSL has found that mandatory enrollment meetings significantly increase the participation, which helps stabilize the risk. If mandatory, generally ask for a minimum of 3 weeks notice to attend enrollment meetings.	No	No
With respect to dental ID cards:				
Do you charge a fee for card preparation?	No	No	No	No
Can you put the plan sponsor's name and logo on the ID cards?	The Group Name will appear on the ID card; however, the logo cannot be accommodated.	No; ID card is standard in format.	Yes	Yes
If so, is there an additional charge for this?	No	N/A	Depending on the size & scope of the requested customization, an additional fee may apply.	Associated cost would depend on level of customization, complexity of layout & design, & quantities desired; an estimate would be made at time of NDPERS' request.

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Will you agree to submit to an independent audit?	No; audits are generally not an accepted part of a fully insured arrangement, as under such an arrangement, United Concordia would retain the financial risk of administration.	Yes	Yes	Yes
Under what conditions?	N/A	Willing to allow policyholder or its designated agent to audit RSL's performance under the contract. Any travel, room & board costs of auditors would be at the policyholder's expense. Other costs would be negotiated with the policyholder.	<u>Fully insured environment</u> . Do not include a right to audit provision within contract. <u>Self-funded environment</u> . While agreement is in force, client or a certified vendor shall have right, at ER's expense, to conduct a statistically valid audit, subject to conditions outlined in proposal (Section 6, pages 35-37).	External auditors can review a sample of paid or denied claims and related claims documentation. Permission is subject to conditions outlined in proposal (Section VI - response to Q #28).
Is EOI a requirement under ANY part or parts of the plan proposed by your company?	No	No	No	No
HIPAA				
Does your system support on-line, real-time <u>eligibility</u> inquiries?	Yes	Yes	Yes	Yes
Does your system support on-line, real-time <u>claim status</u> inquiries?	Yes	Yes	Yes	Yes
CUSTOMER SERVICE / SATISFACTION				
Where will the client's management team be based?	If selected as a finalist, details of management team can be discussed.	Lincoln, NE	Camarillo, CA	Will provide if selected as a finalist.

NORTH DAKOTA PERS

SECTION II - F

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
TECHNOLOGY				
Which of the following tasks can <u>members</u> perform online?				
- Enrollment (new hires & open enrollment)				
- Changes in status				
- Claim inquiry	X	X	X	X
- Provider search	X	X	X	
- ID card request	X	X	X	X
- Electronic EOB	X		X	
- Terminations				
- Access provider directories	X		X	
- Other				
Which of the following tasks can <u>plan administrator / sponsor</u> perform online?				
- Enrollment (new hires & open enrollment)	X	X	X	X
- Changes in status	X	X	X	X
- Billing	X	X	X	X
- Claim inquiry		X		
- Provider search	X	X	X	
- ID card request		X	X	
- Electronic EOB			X	
- Terminations	X	X	X	X
- Access provider directories	X	X	X	
- Other			For Billing. Future online capabilities include: billing inquiry reports, downloadable membership & billing data function to cross-check prior bills, & current month billing submission.	
Is there an additional charge for online services?	No	No	No	No
Are dental provider directories available online?	Yes	Yes	Yes	N/A - proposing a dental indemnity plan.

GENERAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

GENERAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
REPORTING				
Can you provide reports on a quarterly basis?	Yes	Yes	Yes	Yes
Are special or ad hoc reports available?	Yes	Yes	Yes	Yes
Additional cost?	Have a standard & on-demand reporting package which comes at no additional cost. There is an additional cost for other reports.	Cost based on frequency & complexity of reports. Willing to discuss any specialized reports that client desires.	Cost depends on size & scope of requested report.	Typically do not charge for ad hoc report requests; however, each request will be evaluated on a report-by-report basis & any applicable cost will be determined at that time.
If there are additional fees, are they generated on a fixed cost per report or billed on an hourly basis?	\$150 per hour. An estimate of time involved will be made before any reports are developed.	Not specified	Cost depends on scope & complexity of requested report.	See above.

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
NDPERS currently self-administers the premium and eligibility functions for the dental plan and wishes to continue doing so.	Noted and understood	Noted and understood	Noted and understood. Claims reimbursement for self-funded plans must match billed amounts.	Noted and understood
Are you able to comply with all requirements outlined in the NDPERS Administration Manual?	Able to comply	Unable to comply	Unable to comply	Able to comply
If not able to comply with all the administration requirements, provide an explanation.	N/A	Plan Design. Quoted a traditional indemnity plan matching benefits as closely as possible.	Dental Claims Section. Do not deny claims based on submission date. Would like opportunity to discuss further.	N/A
			ID Card and Certificate Distribution Section. Can provide generic ID cards; prefer to provide personalized ID cards upon receipt of completed enrollment information.	
Enrollment and premium remittance will be accomplished on a decentralized basis. The vendor will be expected to receive and process eligibility and premium remittance for active employees in conjunction with 26 different payroll systems. It is anticipated (but not guaranteed) that the format and process will be largely standardized.	Able to comply	Able to comply	Able to comply	Able to comply
Retirees must have deductions withheld from PERS Retirement Benefits or arrange for automatic bank payments to NDPERS.	-	-	-	-
It will be expected that vendor will prepare multiple billings (currently 26 separate monthly billings) and that NO retroactive adjustments will be made for terminated employees.	Able to comply	Unable to comply. Have a 2-month retroactive deletion policy. Would like to discuss this with NDPERS if they wish to shorten or remove this provision.	Able to comply	Able to comply

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Is NDPERS allowed to use their own version of enrollment / change forms?	Yes	Yes	Yes	Yes
		Will accept NDPERS' enrollment form, provided it includes following information: name, address, DOB, SSN, dependent(s) name and DOB, group name, group #, effective date of coverage.	Agree contingent on Delta's review of the form to ensure all necessary data is included. Would also like to confirm readability of the form after these forms are imaged by Delta.	
		The form should also include a section requiring signed authorization of payment to the dental office and release of dental office records for plan administration and customer service purposes and, if applicable, the authorization of payroll deductions.		
The vendor will be expected to use "fillable" forms in a PDF format that new hires, retirees and ongoing employees can access on the NDPERS website, print, complete and file with NDPERS.	Able to comply	Able to comply	Able to comply	Able to comply
			Contingent on Delta's review of the form to ensure all necessary data is included. Would also like to confirm readability of the form after these forms are imaged by Delta.	MetLife can establish a link to MyBenefits from NDPERS' intranet giving EEs a central location to access their benefits information while at work. This would include a link to the appropriate webpage(s) with text or images. Establishing a link will eliminate the need for EEs to enter their company name when login in, while allowing them to immediately access their benefits; this will also allow EEs to go back to NDPERS' intranet.
The annual open enrollment process will be held each fall. Please provide your timelines for the open enrollment process.	Willing to work with NDPERS on timelines.	Willing to work with NDPERS on timelines.	Timeline not specified. OE will be on an annual basis. (Once coverage is discontinued, EEs will need to wait 3 years to re-enroll.)	Provided basics in implementation schedule.

NORTH DAKOTA PERS

SECTION II - G

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
NDPERS staff develops a flyer page for the annual open enrollment. The vendor agrees to review the document prior to circulation for accuracy.	Agree	Agree	Agree	Agree
NDPERS periodically requires a mailing label list. Vendor agrees to provide such list.	Agree	Agree	Agree	Disagree. To address this item, need more information regarding the details surrounding the mailing label list.
In what format will you provide the list?	Not specified	There may be a cost associated with this process depending on the format NDPERS would like to receive the data.	Excel spreadsheet format	-
How much time does it take to process a request?	5 business days	Not specified	2 weeks	-
Vendor agrees to track individual subscriber eligibility for COBRA and alert NDPERS when member approaches limiting age?	Agree	Disagree. Cigna divested its COBRA and retiree billing services business to Ceridian.	Disagree. All COBRA administration is the responsibility of the group.	Disagree. MetLife does not provide COBRA administrative services. They do pay claims for COBRA participants.
If you agree, is there an additional cost?	Cost to track eligibility = \$0.55 pepm. This is added to cost of active EEs.	N/A	N/A	N/A

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
NDPERS currently self-administers the premium and eligibility functions for the dental plan and wishes to continue doing so.	Noted and understood	Noted and understood	Noted and understood	Noted and understood
Are you able to comply with all requirements outlined in the NDPERS Administration Manual?	Able to comply	Able to comply	Unable to comply	Unable to comply
If not able to comply with all the administration requirements, provide an explanation.	N/A	N/A	Claim filing limit and certain other provisions. In reviewing the claim filing limit described in the Admin Manual, and certain other provisions of the dental plan, UniCare has determined that a filing and approval from the ND DOI may be required for their insured contract, if the request is an exact duplication of NDPERS' current plan.	Tracking COBRA eligibility. Unable to comply with the requirement to track COBRA eligibility and notify NDPERS of members approaching limiting age.
			If services are provided on a self-funded basis, no filing / approval from the DOI is required. UniCare understands that, as a public entity, NDPERS may be subject to certain if not all state mandates	
Enrollment and premium remittance will be accomplished on a decentralized basis. The vendor will be expected to receive and process eligibility and premium remittance for active employees in conjunction with 26 different payroll systems. It is anticipated (but not guaranteed) that the format and process will be largely standardized.	Able to comply; provided any electronic eligibility layout or format submissions are tested and pre-approved by Mutual before submissions so they can verify that it contains all pertinent data and enrollment criteria for a successful transmission.	Able to comply	Able to comply	Able to comply
Retirees must have deductions withheld from PERS Retirement Benefits or arrange for automatic bank payments to NDPERS.	Unable to comply; retiree automatic bank payments to Mutual cannot be accommodated at this time.	-	-	-
It will be expected that vendor will prepare multiple billings (currently 26 separate monthly billings) and that NO retroactive adjustments will be made for terminated employees.	Able to comply with multiple billings. Unable to accommodate retroactive adjustments for terminated EEs since this would impact retro debit adjustment for new additions.	Able to comply	Able to comply	Able to comply

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Is NDPERS allowed to use their own version of enrollment / change forms?	Yes	Yes	Yes	Yes
	Provided Mutual reviews and pre-approves prior to usage.			Provided Unimerica reviews and pre-approves prior to usage.
The vendor will be expected to use "fillable" forms in a PDF format that new hires, retirees and ongoing employees can access on the NDPERS website, print, complete and file with NDPERS.	Able to comply, provided Mutual reviews and pre-approves prior to usage.	Able to comply	Able to comply	Able to comply
The annual open enrollment process will be held each fall. Please provide your timelines for the open enrollment process.	Not provided. This be will determined during the implementation process.	Willing to work with NDPERS on timelines.	The actual timeline for enrollment was not provided; however, a sample implementation schedule was attached in the Exhibit 7. Will provide detailed implementation schedule, including the time of open enrollment events, once identified as a finalist.	Provided in proposal (Tab 3).

ADMINISTRATION REQUIREMENTS

Proposed Effective Date: January 1, 2007

ADMINISTRATION REQUIREMENTS	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
NDPERS staff develops a flyer page for the annual open enrollment. The vendor agrees to review the document prior to circulation for accuracy.	Agree	Agree	Agree; however, reserve the right to make changes deemed appropriate by UniCare.	Agree
NDPERS periodically requires a mailing label list. Vendor agrees to provide such list.	Agree	Agree	Agree	Agree
In what format will you provide the list?	Not specified	Not specified	Spreadsheet format; charges will be based on actual cost of producing the mailing list.	To be determined
How much time does it take to process a request?	Minimum of 3-weeks lead time	5 business days	-	To be determined
Vendor agrees to track individual subscriber eligibility for COBRA and alert NDPERS when member approaches limiting age?	Disagree. ER is responsible for COBRA eligibility; however, Mutual does provide, at a cost, COBRA Billing and Collection Services, that track COBRA eligibility and provides billing and premium collections, including various reports. These limited COBRA services <u>exclude</u> all notice requirements.	Agree	Need more information with regard to tracking eligibility for COBRA. Once identified as a finalist, will gladly discuss with NDPERS. If NDPERS elects to purchase UniCare's COBRA admin services, UniCare will track eligibility for COBRA & perform other agreed-upon functions associated with COBRA admin.	Disagree
	Agree to provide web reporting to customer that identifies dependents reaching the limiting age.		Agree, with regard to tracking child eligibility age.	
If you agree, is there an additional cost?	Cost of limited COBRA services = \$0.50 per member per month; OR \$50 + \$5 per billing address per mo.	Cost to track eligibility = \$0.55 pepm. This is added to cost of active EEs.	Not specified.	N/A

FULLY INSURED VOLUNTARY DENTAL PLANS : RANKING BASED ON 1ST YEAR COSTS by PLAN DESIGN

Ranking of Estimated 1st Year Cost from Least Expensive (1) to Most Expensive (8)

Proposed Effective Date: January 1, 2007

Plan	1a	1b	1c	1d	2a	2b	2c	3a	3b	3c
Ameritas										
Year 1	\$2,833,413	\$2,810,319	\$2,938,476	\$2,998,126	-	-	-	\$3,004,968	\$2,381,488	\$2,797,107
Ranking	3	2	2	1	-	-	-	4	1	1
Cigna										
Year 1	\$2,896,314	\$2,896,314	No rates	No rates	-	-	-	-	-	-
Ranking	5	5	Can't calculate	Can't calculate	-	-	-	-	-	-
Delta ⁽¹⁾	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	<i>Check Payment</i>	
Year 1	\$2,824,642	\$2,811,331	\$2,941,847	\$3,046,434	\$2,609,540	\$2,727,978	\$2,828,490	\$2,784,913	\$2,558,187	-
Ranking	2	3	3	3	3	3	3	3	3	
Delta ⁽¹⁾	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	
Year 1	\$2,810,569	\$2,797,329	\$2,926,798	\$3,031,664	\$2,596,788	\$2,713,976	\$2,814,417	\$2,770,910	\$2,545,435	-
Ranking	1	1	1	2	2	2	2	2	2	
MetLife										
Year 1	\$2,883,303	\$2,883,303	\$3,061,830	\$3,114,290	\$2,252,512	\$2,392,492	\$2,430,256	-	-	-
Ranking	4	4	5	4	1	1	1	-	-	-
Mutual										
Year 1	-	-	-	-	\$3,111,286	\$3,026,805	\$3,091,156	\$3,266,330	\$3,178,403	\$3,245,853
Ranking	-	-	-	-	4	4	4	6	5	2
Reliance ⁽²⁾										
Year 1	\$2,924,287	\$2,896,398	\$3,055,699	\$3,130,414	-	-	-	\$2,011,604	-	-
Ranking	6	6	4	5	-	-	-	1 ⁽²⁾	-	-
UniCare										
Year 1	-	\$3,066,911	\$3,271,973	\$3,416,358	-	-	-	\$3,393,991 ⁽³⁾	\$2,684,452 ⁽³⁾	-
Ranking	-	7	6	6	-	-	-	7	4	-
Unimerica										
Year 1	-	\$3,093,190 ⁽⁴⁾	-	-	-	-	-	\$3,093,190	-	-
Ranking	-	8	-	-	-	-	-	5	-	-

⁽¹⁾ Delta. NDPERS will need to select one payment method (Check Payment vs. ACH Payment). Will set up 26 separate bills, to be paid by check or ACH. Have capability to bill individuals directly.

⁽²⁾ Reliance Standard. NDPERS can choose to offer a High / Low Plan by selecting plan 1a, 1b, 1c or 1d and combining it with Plan 3. Above cost estimates assume ALL participants enroll in one plan.

⁽³⁾ UniCare. NDPERS can choose to offer a High / Low Plan (3a and 3b above). We cannot estimate enrollment; therefore, above cost estimates assume ALL participants enroll in one plan 3a or 3b.

⁽⁴⁾ Unimerica. Per proposal, did not quote Plan 1; however, Plan 3 is essentially the same as current plan 1b (without \$10 copay on Preventive Services); included here for illustrative purposes.

NOTE: Benefits are NOT identical from carrier to carrier; refer to benefit spreadsheets for benefit overview.

NORTH DAKOTA PERS

SECTION III-B

FULLY INSURED VOLUNTARY DENTAL PLANS : COST OVERVIEW (Estimated Annual Costs - Years 1 & 2)

Proposed Effective Date: January 1, 2007

Plan	1a	1b	1c	1d	2a	2b	2c	3a	3b	3c
Ameritas										
Type of Plan	Indemnity	Indemnity	Indemnity	Indemnity	N/A	N/A	N/A	Indemnity (Plan "5")	Indemnity (Low)	Indemnity (Incentive)
Year 1	\$2,833,413	\$2,810,319	\$2,938,476	\$2,998,126	-	-	-	\$3,004,968	\$2,381,488	\$2,797,107
Year 2	\$2,833,413	\$2,810,319	\$2,938,476	\$2,998,126	-	-	-	\$3,004,968	\$2,381,488	\$2,797,107
TOTAL	\$5,666,826	\$5,620,639	\$5,876,952	\$5,996,252	-	-	-	\$6,009,936	\$4,762,976	\$5,594,214
Cigna										
Type of Plan	Indemnity	Indemnity	Indemnity	Indemnity	N/A	N/A	N/A	N/A	N/A	N/A
Year 1	\$2,896,314	\$2,896,314	Did not	Did not	-	-	-	-	-	-
Year 2	\$2,896,314	\$2,896,314	provide	provide	-	-	-	-	-	-
TOTAL	\$5,792,628	\$5,792,628	rates	rates	-	-	-	-	-	-
Delta Dental										
Type of Plan	Passive PPO <i>Check Payment</i>	Passive PPO <i>Check Payment</i>	Passive PPO <i>Check Payment</i>	Passive PPO <i>Check Payment</i>	N/A					
Year 1	\$2,824,642	\$2,811,331	\$2,941,847	\$3,046,434	\$2,609,540	\$2,727,978	\$2,828,490	\$2,784,913	\$2,558,187	-
Year 2	\$2,966,296	\$2,952,008	\$3,089,296	\$3,199,096	\$2,739,905	\$2,864,622	\$2,970,213	\$2,924,620	\$2,686,262	-
TOTAL	\$5,790,937	\$5,763,339	\$6,031,143	\$6,245,530	\$5,349,445	\$5,592,600	\$5,798,702	\$5,709,533	\$5,244,450	-
	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	<i>ACH Payment</i>	
Year 1	\$2,810,569	\$2,797,329	\$2,926,798	\$3,031,664	\$2,596,788	\$2,713,976	\$2,814,417	\$2,770,910	\$2,545,435	-
Year 2	\$2,951,799	\$2,937,308	\$3,074,526	\$3,183,280	\$2,725,833	\$2,855,357	\$2,955,716	\$2,910,123	\$2,673,237	-
TOTAL	\$5,762,369	\$5,734,637	\$6,001,324	\$6,214,944	\$5,322,620	\$5,569,333	\$5,770,134	\$5,681,033	\$5,218,672	-
MetLife										
Type of Plan	Indemnity	Indemnity	Indemnity	Indemnity	PPO	PPO	PPO	N/A	N/A	N/A
Year 1	\$2,883,303	\$2,883,303	\$3,061,830	\$3,114,290	\$2,252,512	\$2,392,492	\$2,430,256	-	-	-
Year 2	\$2,883,303	\$2,883,303	\$3,061,830	\$3,114,290	\$2,252,512	\$2,392,492	\$2,430,256	-	-	-
TOTAL	\$5,766,605	\$5,766,605	\$6,123,661	\$6,228,580	\$4,505,025	\$4,784,984	\$4,860,512	-	-	-

NOTE: Benefits are NOT identical from carrier to carrier; refer to benefit spreadsheets for benefit overview

NORTH DAKOTA PERS

SECTION III-B

FULLY INSURED VOLUNTARY DENTAL PLANS : COST OVERVIEW (Estimated Annual Costs - Years 1 & 2)

Proposed Effective Date: January 1, 2007

Plan	1a	1b	1c	1d	2a	2b	2c	3a	3b	3c
Mutual of Omaha										
Type of Plan	N/A	N/A	N/A	N/A	PPO	PPO	PPO	Passive PPO	Passive PPO	Passive PPO
Year 1	-	-	-	-	\$3,111,286	\$3,026,805	\$3,091,156	\$3,266,330	\$3,178,403	\$3,245,853
Year 2	-	-	-	-	\$3,111,286	Not provided	Not provided	\$3,266,330	Not provided	Not provided
TOTAL	-	-	-	-	\$6,222,572	Can't calculate	Can't calculate	\$6,532,659	Can't calculate	Can't calculate
Reliance Standard										
Type of Plan	Indemnity	Indemnity	Indemnity	Indemnity	N/A	N/A	N/A	Indemnity	N/A	N/A
Year 1	\$2,924,287	\$2,896,398	\$3,055,699	\$3,130,414	-	-	-	\$2,011,604	-	-
Year 2	\$2,924,287	\$2,896,398	\$3,055,699	\$3,130,414	-	-	-	\$2,011,604	-	-
TOTAL	\$5,848,574	\$5,792,796	\$6,111,397	\$6,260,828	-	-	-	\$4,023,209	-	-
UniCare (Wellpoint)										
Type of Plan	N/A	Indemnity	Indemnity	Indemnity	N/A	N/A	N/A	Indemnity (High / Low) High Plan ⁽¹⁾ Low Plan ⁽²⁾		N/A
Year 1	-	\$3,066,911	\$3,271,973	\$3,416,358	-	-	-	\$3,393,991	\$2,684,452	-
Year 2	-	\$3,066,911	\$3,271,973	\$3,416,358	-	-	-	\$3,393,991	\$2,684,452	-
TOTAL	-	\$6,133,822	\$6,543,947	\$6,832,716	-	-	-	\$6,787,981	\$5,368,903	-
Unimerica										
Type of Plan	N/A	Indemnity ⁽³⁾	N/A	N/A	N/A	N/A	N/A	Indemnity	N/A	N/A
Year 1	-	\$3,093,190	-	-	-	-	-	\$3,093,190	-	-
Year 2	-	\$3,093,190	-	-	-	-	-	\$3,093,190	-	-
TOTAL	-	\$6,186,380	-	-	-	-	-	\$6,186,380	-	-

⁽¹⁾ Assumes all enroll in High Plan (for illustrative purposes only; all EEs will not enroll in High Plan).

⁽²⁾ Assumes all enroll in Low Plan (for illustrative purposes only; all EEs will not enroll in Low Plan).

⁽³⁾ Per proposal, did not quote Plan 1; however, Plan 3 is essentially the same as current plan 1b (without \$10 copay on Preventive Services); included here for illustrative purposes.

NOTE: Benefits are NOT identical from carrier to carrier; refer to benefit spreadsheets for benefit overview

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	ING (Current Plan)	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
TYPE OF PLAN	Indemnity	Indemnity	Indemnity	Passive PPO	Indemnity
BENEFIT SUMMARY					
Deductible	\$50 per person per year	\$50 per person per year	\$50 per person per year	\$50 per person per year	\$50 / \$100
Coinsurance					
Preventive Services	\$10 copay; then 100%	\$10 copay; then 100%	100%, no ded	100%, no ded (\$10 copay only applies to the 5 exam procedures specifically outlined in proposal.)	100%, no ded
Basic Services	80% after ded	80% after ded	80% after ded	80% after ded	80% after ded
- Include Endodontia?	Yes	Yes	Yes	Yes	Yes
- Include Periodontia?	Yes	Yes	Yes	Yes	Yes
Major Services	50% after ded	50% after ded	50% after ded	50% after ded	50% after ded
Orthodontia	50%, no ded	50%, no ded	50%, no ded	50%, no ded	50%, no ded
	<i>Enrolled prior to 1/1/99: Children & Adults</i>	<i>Children & Adults</i>	<i>Children only</i>	<i>Prior to 1/1/99: Children & Adults</i>	<i>Prior to 1/1/99: Children & Adults</i>
	<i>Enrolled on or after 1/1/99: Children only</i>	<i>(Regardless of enrollment date)</i>		<i>On or after 1/1/99: Children only</i>	<i>On or after 1/1/99: Children only</i>
Waiting Period					
Preventive Services	None	None	None	None	None
Basic Services	6 months	6 months	6 months	6 months	6 months
Major Services	12 months	12 months	12 months	12 months	12 months
Orthodontia	24 months	24 months	24 months	24 months	24 months
Benefit Maximums					
Annual Dental Maximum	\$1,000	\$1,000 (See NOTES **)	\$1,000	\$1,000	\$1,000
Lifetime Orthodontia Maximum	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Out-of-Network Allowance * (Currently, 80th percentile)	80th percentile	80th percentile	80th percentile	90th percentile	80th percentile
Can ER change level?	N/A	Yes	Yes, can select from 50 th , 60 th , 70 th , 75 th , 80 th , 85 th , 90 th & 95 th .	Yes, most ER groups select reimbursement levels of 70, 80 or 90%; however, the range could be between 55 - 90%.	Yes; standard is the 90th percentile.
Method to determine U&C	Ingenix (formerly HIAA) & own data base	Ingenix (formally HIAA) & own data base	Ingenix (formally HIAA) & own data base	Ingenix (formally HIAA)	Internal claim processing system

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	ING (Current Plan)	Ameritas	Cigna Dental	Delta Dental of Minnesota				MetLife
RATES / COSTS	Experience Rated	Experience Rated	Experience Rated	Experience Rated				Pooled
Plan Design 1a: Current Plan of Benefits	<i>Orthodontia - Children/Adults; based on enrollment date</i>	<i>Orthodontia - Children & Adults (Regardless of enrollment date)</i>	<i>Orthodontia - Children/Adults; based on enrollment date (same rates as Plan 1b)</i>	<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>
Monthly Premium				Check Paymt - Yr 1	Check Paymt - Yr 2	ACH Paymt - Yr 1	ACH Paymt - Yr 2	
Employee	\$33.54	\$31.86	\$32.55	\$31.76	\$33.36	\$31.60	\$33.20	\$32.42
Employee + Spouse	\$64.58	\$61.34	\$62.82	\$61.16	\$64.22	\$60.86	\$63.90	\$62.42
Employee + Child(ren)	\$75.22	\$71.44	\$72.91	\$71.22	\$74.78	\$70.86	\$74.42	\$72.70
Family	\$106.30	\$100.98	\$103.18	\$100.66	\$105.70	\$100.16	\$105.18	\$102.76
Plan Design 1b: Ortho restricted to children regardless of enrollment date	<i>N/A</i>	<i>Orthodontia - Children Only</i>	<i>Orthodontia - Children Only</i>	<i>Orthodontia - Children Only</i>				<i>Orthodontia - Children Only</i>
Monthly Premium				Check Paymt - Yr 1	Check Paymt - Yr 2	ACH Paymt - Yr 1	ACH Paymt - Yr 2	
Employee	N/A	\$31.54	\$32.55	\$31.62	\$33.20	\$31.46	\$33.04	\$32.42
Employee + Spouse	↓	\$60.74	\$62.82	\$60.86	\$63.90	\$60.56	\$63.58	\$62.42
Employee + Child(ren)		\$71.12	\$72.91	\$70.92	\$74.48	\$70.58	\$74.12	\$72.70
Family		\$100.34	\$103.18	\$100.16	\$105.18	\$99.66	\$104.64	\$102.76
Plan Design 1c: Increase dental max to \$1,250	N/A	+ 1%	+ 8.31%	+ 4.5%				+ 6.2%
	<i>N/A</i>	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children Only</i>	<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>
Monthly Premium				Check Paymt - Yr 1	Check Paymt - Yr 2	ACH Paymt - Yr 1	ACH Paymt - Yr 2	
Employee	N/A	\$33.16	Did not provide specific rates	\$33.08	\$34.74	\$32.90	\$34.58	\$34.42
Employee + Spouse		\$63.80		\$63.70	\$66.90	\$63.38	\$66.58	\$66.30
Employee + Child(ren)		\$73.68		\$74.20	\$77.92	\$73.84	\$77.54	\$77.22
Family		\$104.34		\$104.82	\$110.06	\$104.30	\$109.52	\$109.12

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	ING (Current Plan)	Ameritas	Cigna Dental	Delta Dental of Minnesota				MetLife
Plan Design 1d: Increase dental max to \$1,500	N/A	+ 1%	+ 15.16%	+ 8.4%				+ 8.0%
	<i>N/A</i>	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children Only</i>	<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>
Monthly Premium				Check Paymt - Yr 1	Check Paymt - Yr 2	ACH Paymt - Yr 1	ACH Paymt - Yr 2	
Employee	N/A	\$33.90	Did not provide specific rates	\$34.26	\$35.98	\$34.10	\$35.80	\$35.02
Employee + Spouse		\$65.24		\$65.96	\$69.26	\$65.64	\$68.92	\$67.42
Employee + Child(ren)		\$74.88		\$76.84	\$80.68	\$76.46	\$80.28	\$78.54
Family		\$106.22		\$108.54	\$113.98	\$108.00	\$113.42	\$110.98
Additional Rate Information								
Rate Guarantee	1 year	2 years (Also provided lower rates with a 1-year rate guarantee)	2 years	24 month contract with step rates.				2 years
Commissions	NET	NET	NET	NET				NET
Retention Exhibit for Experience Rated Plans								
Premium Taxes		None	2.00%	Included in total				N/A (Pooled)
Contracts / SPDs		Included in total	N/A	Included in total				
Commissions		0%	0%	0%				
Risk Charge		Included in total	N/A	Included in total				
Profit		2.0%	N/A	Included in total				
Other		11.3%	7.44%	-				
Total		13.3%	9.44%	11.61% **				8.73% (Total Retention)
EST. ANNUAL COSTS				Check Payment		ACH Payment		
				Year 1	Year 2	Year 1	Year 2	
Plan 1a	\$2,982,878	\$2,833,413	\$2,896,314	\$2,824,642	\$2,966,296	\$2,810,569	\$2,951,799	\$2,883,303
Plan 1b	n/a	\$2,810,319	\$2,896,314	\$2,811,331	\$2,952,008	\$2,797,329	\$2,937,308	\$2,883,303
Plan 1c	n/a	\$2,938,476	Cannot calculate	\$2,941,847	\$3,089,296	\$2,926,798	\$3,074,526	\$3,061,830
Plan 1d	n/a	\$2,998,126	Cannot calculate	\$3,046,434	\$3,199,096	\$3,031,664	\$3,183,280	\$3,114,290

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	ING (Current Plan)	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
NOTES					
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.		** Deductible carry-over information outlined below:		** Release of specific retention components is proprietary information. Retention varies by plan: Plan 1a = 11.61%; Plan 1b = 11.64%.	
		Carry-over amount = \$250 per person per benefit period.			
		Benefit Threshold = \$500 per person per benefit period.			
		Maximum Carry-over Amount = \$1,000.			

Enrollment Assumptions	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
TYPE OF PLAN	N/A	Indemnity	Indemnity	Indemnity
BENEFIT SUMMARY				
Deductible	DID NOT QUOTE PLAN 1	\$50 per person per year	\$50 per person per year	\$50 per person per year
Coinsurance				DID NOT QUOTE PLAN 1 However, "carrier-suggested plan" is basically current plan, without \$10 copay & with orthodontia for children only.
Preventive Services	Do not have option of doing an indemnity only without network plan.	\$10 copay; then 100%	\$10 copay; then 100%	100%, no ded
Basic Services		80% after ded	80% after ded	80% after ded
- Include Endodontia?		Yes	Yes	Yes
- Include Periodontia?		Yes	Yes	Yes
Major Services		50% after ded	50% after ded	50% after ded
Orthodontia		50%, no ded	50%, no ded	50%, no ded
		<i>Prior to 1/1/99: Children & Adults</i>	<i>Children only</i>	<i>Children only</i>
		<i>On or after 1/1/99: Children only</i>		
Waiting Period				
Preventive Services		None	None	None
Basic Services		6 months	6 months	6 months
Major Services		12 months	12 months	12 months
Orthodontia		None	24 months	24 months
Benefit Maximums				
Annual Dental Maximum		\$1,000	\$1,000	\$1,000
Lifetime Orthodontia Maximum		\$1,500	\$1,500	\$1,500
Out-of-Network Allowance * (Currently, 80th percentile)		90th percentile	80th percentile	80th percentile
Can ER change level?		Yes	Not specified	Not specified
Method to determine U&C		Ingenix (formally HIAA) & own data base	Ingenix (formally HIAA)	Ingenix (formally HIAA)

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
RATES / COSTS		Pooled	Experience Rated	Pooled
Plan Design 1a: Current Plan of Benefits	DID NOT QUOTE PLAN 1a	<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>	DID NOT QUOTE PLAN 1a	PER COST EXHIBIT, DID NOT QUOTE PLAN 1. However, "carrier-suggested plan" (Plan 3) is basically current plan, with <i>orthodontia for children only</i> . Therefore, included rates below.
Monthly Premium				
Employee		\$32.88		
Employee + Spouse		\$63.32		
Employee + Child(ren)		\$73.76		
Family		\$104.20		
Plan Design 1b: Ortho restricted to children regardless of enrollment date	DID NOT QUOTE PLAN 1b	<i>Orthodontia - Children Only</i>	<i>Orthodontia - Children Only</i>	PER PROPOSAL, DID NOT QUOTE PLAN 1. However, "carrier-suggested plan" (Plan 3) is basically current plan, with <i>orthodontia for children only</i> . Therefore, included rates below.
Monthly Premium				
Employee		\$32.44	\$34.48	\$34.78
Employee + Spouse		\$62.44	\$66.40	\$66.98
Employee + Child(ren)		\$73.32	\$77.36	\$78.00
Family		\$103.76	\$109.30	\$110.22
Plan Design 1c: Increase dental max to \$1,250	N/A	+ 2.4%	6.67%	N/A
	DID NOT QUOTE PLAN 1c	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children Only</i>	DID NOT QUOTE PLAN 1c
Monthly Premium				
Employee		\$34.36	\$36.78	
Employee + Spouse		\$66.16	\$70.84	
Employee + Child(ren)		\$77.08	\$82.54	
Family		\$108.88	\$116.62	

NORTH DAKOTA PERS

SECTION III-C

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
Plan Design 1d: Increase dental max to \$1,500	N/A	+ 4.9%	11.4%	N/A
	DID NOT QUOTE PLAN 1d	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children Only</i>	DID NOT QUOTE PLAN 1d
Monthly Premium				
Employee		\$35.20	\$38.40	
Employee + Spouse		\$67.80	\$73.98	
Employee + Child(ren)		\$78.96	\$86.18	
Family		\$111.52	\$121.76	
Additional Rate Information				
Rate Guarantee		2 years	2 years; also provided renewal rates for Years 3, 4, 5	2 years
Commissions		NET	NET	NET
Retention Exhibit for Experience Rated Plans				
Premium Taxes		None	1.9% *	0%
Contracts / SPDs				2.7%
Commissions		0%	0%	0%
Risk Charge				0%
Profit				5%
Other		Retention		3%
Total		12.2%	DID NOT RESPOND	10.7%
EST. ANNUAL COSTS				
Plan 1a	-	\$2,924,287	-	-
Plan 1b	-	\$2,896,398	\$3,066,911	\$3,093,190
Plan 1c	-	\$3,055,699	\$3,271,973	-
Plan 1d	-	\$3,130,414	\$3,416,358	-

NORTH DAKOTA PERS

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 1

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 1	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
NOTES				
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.		NDPERS can choose to offer a High/Low plan by combining any 1 of the High Option Plans (1a,b,c,d) with the Low Option Plan.	* The tax exemption does not apply to UniCare. According to the NDPERS procurement document, although NDPERS is not required to pay taxes, the contractors who work with NDPERS will be required to pay taxes.	
		** Deductible Carry-over Information. Carry-over amount = \$250 per person per benefit period; benefit threshold = \$500 per person per benefit period; maximum carry over amount = \$1,000.		

Enrollment Assumptions	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NORTH DAKOTA PERS

SECTION III-D

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Proposed Plan as Outlined in the RFP		Ameritas	Cigna Dental	Delta Dental of Minnesota		MetLife	
TYPE OF PLAN	PPO		N/A	N/A	PPO		PPO	
BENEFIT SUMMARY	In-Network	Out-of-Network			In-Network	Out-of-Network	In-Network	Out-of-Network
Deductible	\$50 / \$100	\$50 / \$100	DID NOT QUOTE	DID NOT QUOTE	\$50 / \$100	\$50 / \$100	\$50 / \$100	\$50 / \$100
Coinsurance								
Preventive Services	100%, no ded	80%, no ded	PLAN DESIGN 2	PLAN DESIGN 2	100%, no ded	80%, no ded	100%, no ded	80%, no ded
Basic Services	80% after ded	60% after ded			80% after ded	60% after ded	80% after ded	60% after ded
- Include Endodontia?	Yes	Yes			Yes	Yes	Yes	Yes
- Include Periodontia?	Yes	Yes			Yes	Yes	Yes	Yes
Major Services	50% after ded	50% after ded			50% after ded	50% after ded	50% after ded	50% after ded
Orthodontia	50%, no ded	50%, no ded			50%, no ded	50%, no ded	50%, no ded	50%, no ded
	<i>Children only</i>	<i>Children only</i>			<i>Children or Children & Adults (As currently administered)</i>		<i>Children only</i>	
Waiting Period								
Preventive Services	None				None		None	
Basic Services	6 months				6 months		6 months	
Major Services	12 months				12 months		12 months	
Orthodontia	24 months				24 months		24 months	
Benefit Maximums								
Annual Dental Maximum	\$1,000				\$1,000		\$1,000	
Lifetime Orthodontia Maximum	\$1,500				\$1,500		\$1,500	
Out-of-Network Allowance * (Currently, 80th percentile)	N/A				90th percentile		80th percentile	
Can ER change level?	N/A				Yes, most ER groups select reimbursement levels of 70, 80 or 90%; however, the range could be between 55 - 90%.		Yes; standard is the 90th percentile.	
Method to determine U&C	N/A				Ingenix (formerly HIAA)		Internal claim processing system	
RATES / COSTS					Experience Rated		Pooled	
Plan Design 2a: Proposed Plan per RFP					<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>		<i>Orthodontia - Children only</i>	
Monthly Premium					Check Payment		ACH Payment	
					Year 1	Year 2	Year 1	Year 2
Employee					\$29.34	\$30.80	\$29.20	\$30.64
Employee + Spouse					\$56.50	\$59.32	\$56.22	\$59.02
Employee + Child(ren)					\$65.80	\$69.10	\$65.48	\$68.74
Family					\$93.00	\$97.66	\$92.54	\$97.16
								\$25.32
								\$48.78
								\$56.80
								\$80.28

NORTH DAKOTA PERS

SECTION III-D

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Proposed Plan as Outlined in the RFP	Ameritas	Cigna Dental	Delta Dental of Minnesota				MetLife
Plan Design 2b: Increase dental max to \$1,250				+ 4.5%				+ 6.2%
				<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				<i>Orthodontia - Children only</i>
Monthly Premium				Check Payment		ACH Payment		
				Year 1	Year 2	Year 1	Year 2	
Employee				\$30.68	\$32.22	\$30.52	\$32.06	\$26.90
Employee + Spouse				\$59.04	\$62.00	\$58.74	\$61.70	\$51.80
Employee + Child(ren)				\$68.80	\$72.24	\$68.46	\$73.32	\$60.34
Family				\$97.22	\$102.08	\$96.72	\$101.56	\$85.26
Plan Design 2c: Increase dental max to \$1,500				+ 8.4%				+ 8.0%
Monthly Premium				Check Payment		ACH Payment		
				Year 1	Year 2	Year 1	Year 2	
Employee				\$31.80	\$33.40	\$31.64	\$33.24	\$27.32
Employee + Spouse				\$61.26	\$64.32	\$60.96	\$64.00	\$52.62
Employee + Child(ren)				\$71.34	\$74.92	\$70.98	\$74.56	\$61.28
Family				\$100.78	\$105.82	\$100.28	\$105.30	\$86.62
Additional Rate Information								
Rate Guarantee				24 month contract with step rates				2 years
Commissions				NET				NET
Retention Exhibit for Experience Rated Plans								
Premium Taxes				Included in total				N/A (Pooled)
Contracts / SPDs				Included in total				
Commissions				0%				
Risk Charge				Included in total				
Profit				Included in total				
Other				-				
Total				12.12% **				8.73% (Total Retention)

NORTH DAKOTA PERS

SECTION III-D

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Proposed Plan as Outlined in the RFP	Ameritas	Cigna Dental	Delta Dental of Minnesota				MetLife
				Check Payment		ACH Payment		
				Year 1	Year 2	Year 1	Year 2	
EST. ANNUAL COSTS								
Plan 2a				\$2,609,540	\$2,739,905	\$2,596,788	\$2,725,833	\$2,252,512
Plan 2b				\$2,727,978	\$2,864,622	\$2,713,976	\$2,855,357	\$2,392,492
Plan 2c				\$2,828,490	\$2,970,213	\$2,814,417	\$2,955,716	\$2,430,256
NOTES								
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.				** Release of specific retention components is proprietary information. Retention varies by plan.				

Enrollment Assumptions	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NORTH DAKOTA PERS

SECTION III-D

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Mutual of Omaha		Reliance Standard	UniCare (Wellpoint)	Unimerica
TYPE OF PLAN	PPO		N/A	N/A	N/A
BENEFIT SUMMARY	In-Network	Out-of-Network			
Deductible	\$50 / 3x family	\$50 / 3x family	DID NOT QUOTE	DID NOT QUOTE	DID NOT QUOTE
Coinsurance					
Preventive Services	100%, no ded	80%, no ded	PLAN DESIGN 2	PLAN DESIGN 2	PLAN DESIGN 2
Basic Services	80% after ded	60% after ded			
- Include Endodontia?	Yes	Yes			
- Include Periodontia?	Yes	Yes			
Major Services	50% after ded	50% after ded			
Orthodontia	50%, no ded	50%, no ded			
	<i>Children only</i>				
Waiting Period					
Preventive Services	None				
Basic Services	6 months				
Major Services	12 months				
Orthodontia	24 months				
Benefit Maximums					
Annual Dental Maximum	\$1,000				
Lifetime Orthodontia Maximum	\$1,500				
Out-of-Network Allowance * (Currently, 80th percentile)	90th percentile. United Concordia uses does not use U&C, but Maximum Allowable Charge (MAC) schedules. Regional MAC schedules have been developed internally & are derived from claims submitted.				
Can ER change level?	Yes, 80th, 85th or 90th percentile for out-of-network benefits.				
Method to determine U&C	Ingenix, supplemented with internal charge data when necessary				
RATES / COSTS	Pooled				
Plan Design 2a: Proposed Plan per RFP					
Monthly Premium	<i>1-year rate guarantee</i>	<i>2-year rate guarantee</i>			
Employee	\$33.32	\$35.00			
Employee + Spouse	\$64.14	\$67.34			
Employee + Child(ren)	\$74.70	\$78.44			
Family	\$105.58	\$110.86			

NORTH DAKOTA PERS

SECTION III-D

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Mutual of Omaha		Reliance Standard	UniCare (Wellpoint)	Unimerica
Plan Design 2b: Increase dental max to \$1,250	+ 2.2%				
	<i>Orthodontia - Children only</i>				
Monthly Premium	<i>1-year rate guarantee</i>	<i>2-year rate guarantee</i>			
Employee	\$34.04	Did not provide rates			
Employee + Spouse	\$65.52				
Employee + Child(ren)	\$76.33				
Family	\$107.86				
Plan Design 2c: Increase dental max to \$1,500	+ 4.3%				
Monthly Premium	<i>1-year rate guarantee</i>	<i>2-year rate guarantee</i>			
Employee	\$34.76	Did not provide rates			
Employee + Spouse	\$66.92				
Employee + Child(ren)	\$77.94				
Family	\$110.16				
Additional Rate Information					
Rate Guarantee	For Plan 1a, provided rates with both a 1-year & 2-year guarantee. For Plans 1b & 1c, only provided rates with a 1-year guarantee.				
Commissions	NET				
Retention Exhibit for Experience Rated Plans					
Premium Taxes	N/A (Pooled)				
Contracts / SPDs					
Commissions					
Risk Charge					
Profit					
Other					
Total	12.5% (Total Retention)				

NORTH DAKOTA PERS

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 2

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 2	Mutual of Omaha		Reliance Standard	UniCare (Wellpoint)	Unimerica
	1-year rate guarantee	2-year rate guarantee			
EST. ANNUAL COSTS					
Plan 2a	\$2,962,808	\$3,111,286			
Plan 2b	\$3,026,805	n/a			
Plan 2c	\$3,091,156	n/a			
NOTES					
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.					

Enrollment Assumptions	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NORTH DAKOTA PERS

SECTION III-E

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Ameritas			Cigna Dental	Delta Dental of Minnesota						MetLife
TYPE OF PLAN	Indemnity	Indemnity	Indemnity	N/A	PPO Option 1			PPO Option 2			N/A
	Ameritas Plan "5"	Optional Low Plan	Optional Incentive Plan								
BENEFIT SUMMARY	No Network	No Network	No Network	-	PPO	Premier	Out-of-Netwk	PPO	Premier	Out-of-Netwk	-
Deductible	\$50 per person per year	\$50 per person per year	\$50 per person per year	DID NOT	\$50 / \$100	\$50 / \$100	\$50 / \$100	\$50 / \$100	\$50 / \$100	\$50 / \$100	DID NOT
Coinsurance				QUOTE PLAN 3							QUOTE PLAN 3
Preventive Services	100%, no ded	80%, no ded	80/90/100%, no ded ⁽¹⁾		100%, no ded	100%, no ded	90%, no ded	100%, no ded	90%, no ded	90%, no ded	
Basic Services	80% after ded	60% after ded	60/70/80% after ded ⁽¹⁾		80% after ded	80% after ded	70% after ded	80% after ded	70% after ded	70% after ded	
- Include Endodontia?	Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	
- Include Periodontia?	Yes	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	
Major Services	50% after ded	40% after ded	30/40/50% after ded ⁽¹⁾		50% after ded	50% after ded	40% after ded	50% after ded	40% after ded	40% after ded	
Orthodontia	50%, no ded <i>Children & Adults</i>	50%, no ded <i>Children & Adults</i>	50%, no ded <i>Children & Adults</i>		50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	50%, no ded <i>Children/Adults; based on enrollment date (As currently administered)</i>	
Waiting Period											
Preventive Services	None	None	None		None			None			
Basic Services	6 months	6 months	None		6 months			6 months			
Major Services	12 months	12 months	None		12 months			12 months			
Orthodontia	24 months	24 months	12 months		24 months			24 months			
Benefit Maximums											
Annual Dental Max	\$1,000 ⁽²⁾	\$1,000 ⁽²⁾	\$1,000 ⁽²⁾		\$1,000			\$1,000			
Lifetime Orthodontia Max	\$1,500	\$1,500	\$1,500		\$1,500			\$1,500			
Out-of-Network Allowance *	80th percentile				90th percentile			90th percentile			
Can ER change level?	Yes				Yes, most ER groups select reimbursement levels of 70, 80 or 90%; however, the range could be between 55 - 90%.			Yes, most ER groups select reimbursement levels of 70, 80 or 90%; however, the range could be between 55 - 90%.			
Method to determine U&C	Ingenix (formally HIAA)& own data base				Ingenix (formally HIAA)			Ingenix (formally HIAA)			

NORTH DAKOTA PERS

SECTION III-E

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Ameritas			Cigna Dental	Delta Dental of Minnesota								MetLife
	RATES / COSTS												
Plan Design 3: Carrier-Proposed Plan Design	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children & Adults</i>	<i>Orthodontia - Children & Adults</i>		<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				<i>Orthodontia - Children/Adults; based on enrollment date (As currently administered)</i>				
Monthly Premium					Check Payment - Year	Check Payment - Year	ACH Payment - Year 1	ACH Payment - Year 2	Check Payment - Year	Check Payment - Year	ACH Payment - Year 1	ACH Payment - Year 2	
Employee	\$33.86	\$25.80	\$31.56		\$31.32	\$32.90	\$31.16	\$32.74	\$28.78	\$30.22	\$28.64	\$30.08	
Employee + Spouse	\$65.20	\$52.52	\$60.76		\$60.28	\$63.30	\$59.98	\$62.98	\$55.38	\$58.16	\$55.10	\$57.88	
Employee + Child(ren)	\$75.48	\$59.84	\$70.08		\$70.24	\$73.76	\$69.90	\$73.40	\$64.48	\$67.70	\$64.16	\$67.36	
Family	\$106.84	\$86.56	\$99.32		\$99.24	\$104.20	\$98.74	\$103.68	\$91.14	\$95.70	\$90.68	\$95.22	
Additional Rate Information													
Rate Guarantee	2 years (Also provided lower rates with a 1-year rate guarantee)				24 month contract with step rates				24 month contract with step rates				
Commissions	NET				NET				NET				
Retention Exhibit for Experience Rated Plans													
Premium Taxes	None	None	None		Included in total				Included in total				
Contracts / SPDs	Included in total	Included in total	Included in total		Included in total				Included in total				
Commissions	0%	0%	0%		0%				0%				
Risk Charge	Included in total	Included in total	Included in total		Included in total				Included in total				
Profit	2.0%	2.0%	2.0%		Included in total				Included in total				
Other	11.3%	11.3%	11.3%		-				-				
Total	13.3%	13.3%	13.3%		10.78% **				11.32% **				
EST. ANNUAL COSTS					Check Payment		ACH Payment		Check Payment		ACH Payment		
					Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	Year 1	Year 2	
Plan 3	\$3,004,968	\$2,381,488	\$2,797,107	-	\$2,784,913	\$2,924,620	\$2,770,910	\$2,910,123	\$2,558,187	\$2,686,262	\$2,545,435	\$2,673,237	

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Ameritas	Cigna Dental	Delta Dental of Minnesota		MetLife
NOTES					
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.	(1) All are insured on effective date with Preventive @ 80%, Basic @ 60% & Major @ 30% and will remain at that level until next January 1. NOTE: All NDPERS associates who enroll on the effective date will start at the highest level (100-80-50-50); this would eliminate all waiting periods based on their current plan. The 80-60-30-50 level would apply to anyone enrolling after the effective date (i.e., late entrant, new hires).		** Release of specific retention components is proprietary information. Retention varies by plan.	** Release of specific retention components is proprietary information. Retention varies by plan.	
	(1) If insured visits a dentist each Calendar Year & has at least 1 dental procedure performed while insured, that person's procedures will advance to the next % level on the next January 1 and will again advance to the next % level on the next January 1. Coinsurance levels will remain at this level each year as long as the insured visits a dentist during each subsequent year & has at least 1 procedure performed				
	(1) If an insured does not have at least 1 dental procedure performed during any calendar year, that person will revert back to the lowest coinsurance level during the next calendar year.				
	(2) Deductible Carry-over. Carry-over Amount = \$250 per person per benefit period. Benefit Threshold = \$500 per person per benefit period. Maximum Carry-over Amount = \$1,000.				

Enrollment	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NORTH DAKOTA PERS

SECTION III-E

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Mutual of Omaha			Reliance Standard	UniCare (Wellpoint)		Unimerica
TYPE OF PLAN	Passive PPO 1	Passive PPO 2	Passive PPO 3	Indemnity	Indemnity		Indemnity
				Low Option *	High / Low Plan		
BENEFIT SUMMARY	In & Out-of-Network	In & Out-of-Network	In & Out-of-Network	No Network	High Plan	Low Plan	No Network
Deductible	\$50 / 3x family	\$50 / 3x family	\$50 / 3x family	\$50 per person per year	\$50 / \$100	\$50 / \$100	\$50 per person per year
Coinsurance							
Preventive Services	100%, no ded	100%, no ded	100%, no ded	\$10 copay	100%, no ded	80%, no ded	100%, no ded
Basic Services	80% after ded	80% after ded	80% after ded	80% after ded	80% after ded	60% after ded	80% after ded
- Include Endodontia?	Yes	Yes	Yes	No	Yes	Yes	Yes
- Include Periodontia?	Yes	Yes	Yes	No	Yes	Yes	Yes
Major Services	50% after ded	50% after ded	50% after ded	Not covered	50% after ded	50% after ded	50% after ded
Orthodontia	50% after ded <i>Children only</i>	50% after ded <i>Children only</i>	50% after ded <i>Children only</i>	Not covered	50% after ded <i>Children only</i>	50% after ded <i>Children only</i>	50% after ded <i>Children only</i>
Waiting Period							
Preventive Services	None	None	None	None	None	None	None
Basic Services	6 months	6 months	6 months	6 months	6 months	6 months	6 months
Major Services	12 months	12 months	12 months	N/A	12 months	12 months	12 months
Orthodontia	24 months	24 months	24 months	N/A	24 months	24 months	24 months
Benefit Maximums							
Annual Dental Max	\$1,000	\$1,250	\$1,500	\$750	\$1,500	\$1,250	\$1,000
Lifetime Orthodontia Max	\$1,500	\$1,500	\$1,500	Not covered	\$1,500	\$1,500	\$1,500
Out-of-Network Allowance * (Currently, 80th percentile)	90th percentile. United Concordia uses does not use U&C, but Maximum Allowable Charge (MAC) schedules. Regional MAC schedules have been developed internally & are derived from claims submitted.			90th percentile	80th percentile	80th percentile	80th percentile
Can ER change level?	Yes, 80th, 85th or 90th percentile for out-of-network benefits.			Yes	Not specified	Not specified	Not specified
Method to determine U&C	Ingenix, supplemented with internal charge data when necessary			Ingenix (formally HIAA) & own data base	Ingenix (formally HIAA)	Ingenix (formally HIAA)	Ingenix (formally HIAA) & own data base

NORTH DAKOTA PERS

SECTION III-E

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Mutual of Omaha				Reliance Standard	UniCare (Wellpoint)		Unimerica
RATES / COSTS								
Plan Design 3: Carrier-Proposed Plan Design	<i>Orthodontia - Children only</i>		<i>Orthodontia - Children only</i>		<i>No Orthodontia</i>	<i>Orthodontia - Children only</i>	<i>Orthodontia - Children only</i>	<i>Orthodontia - Children only</i>
Monthly Premium	<i>1-year rate guarantee</i>	<i>2-year rate guarantee</i>	<i>1-year rate guarantee</i>	<i>1-year rate guarantee</i>				
Employee	\$34.98	\$36.72	\$35.74	\$36.50	\$18.94	\$38.14	\$30.16	\$34.78
Employee + Spouse	\$67.36	\$70.72	\$68.82	\$70.28	\$41.57	\$73.50	\$58.14	\$66.98
Employee + Child(ren)	\$78.44	\$82.36	\$80.14	\$81.84	\$53.30	\$85.62	\$67.72	\$78.00
Family	\$110.86	\$116.42	\$113.26	\$115.66	\$82.97	\$120.98	\$95.70	\$110.22
Additional Rate Information								
Rate Guarantee	1 year. Also provided 2-year rate guarantee rates for Plan 3; the 1-year rates are illustrated above.		1 year. Did not provide rates with a 2-year rate guarantee.		2 years	2 years; also provided renewal rates for Years 3, 4, 5		2 years
Commissions	NET		NET		NET	NET		NET
Retention Exhibit for Experience Rated Plans								
Premium Taxes	N/A (Pooled)		N/A (Pooled)		None	1.9% *		0%
Contracts / SPDs								2.7%
Commissions					None	0%		0%
Risk Charge								0%
Profit								5%
Other					Retention			3%
Total	12.5% (Total Retention)		12.5%		12.2%	DID NOT RESPOND		10.7%
EST. ANNUAL COSTS	<i>With 1-year rate guarantee</i>	<i>With 2-year rate guarantee</i>	<i>With 1-year rate guarantee</i>	<i>With 1-year rate guarantee</i>		High Plan	Low Plan	
Plan 3	\$3,110,953	\$3,266,330	\$3,178,403	\$3,245,853	\$2,011,604	\$3,393,991	\$2,684,452	\$3,093,190

FULLY INSURED VOLUNTARY DENTAL PLANS : BENEFITS & COSTS - PLAN DESIGN 3 (Carrier-Suggested Plan)

Proposed Effective Date: January 1, 2007

FULLY INSURED DENTAL - PLAN DESIGN 3	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
NOTES				
* ING/Reliastar pays at the 80th percentile of UCR per NDPERS request.		* NDPERS can choose to offer a High / Low Plan by combining any 1 of the High Option Plans (1a,b,c,d) with the Low Option Plan.	* The tax exemption does not apply to UniCare. According to the NDPERS procurement document, although NDPERS is not required to pay taxes, the contractors who work with NDPERS will be required to pay taxes.	
		** Deductible carry-over information. Carry-over amount = \$250 per person per benefit period; benefit threshold = \$500 per person per benefit period; maximum carry-over amount = \$1,000.		

Enrollment Assumptions	
EE Only	2,305
EE + Spouse	920
EE + Child(ren)	290
Family	847
TOTAL	4,362

NDPERS Development of Projected Paid Claims - Dental For Plan Year January 1, 2007 through December 31, 2008

Biennium Rate Development	Best Case	Conservative Estimate
1. Estimated Current Enrollment (1)	4,362	4,362
2. Total Paid Claims (6/1/2005 to 5/31/2006)	\$2,103,025	\$2,103,025
3. Average Exposure Units (Subscribers)	3,910	3,910
4. Net Paid Claims / Employee / Month	\$44.82	\$44.82
5. Trend Factor (2)	10.4%	13.5%
6. Trended Dental Paid Claims / Employee / Month	\$49.49	\$50.89
7. Claim Fluctuation Reserve as a percentage	0%	3%
8. Claim Fluctuation Reserve / Employee / Month	\$0.00	\$1.61
9. Projected Dental Paid Claims / Employee / Month	\$49.49	\$52.50
10. Estimated Claims Administration	\$2.74	\$3.50
11. ASL (Delta Dental @ 1.20 of expected)	\$0.00	\$0.25
12. Needed Dental Funding / Employee / Month	\$52.23	\$56.25
13. Projected Monthly Paid Expenses	\$227,834	\$245,363
14. Projected Total Annual Paid Expenses	\$2,734,004	\$2,944,350
15. Projected Biennium Paid Expenses	\$5,468,008	\$5,888,700
16. Estimated Current Annual Funding (3)	\$5,968,556	\$5,968,556
17. Percent Change	(8.4%)	(1.3%)

(1) Based on enrollment data provided in NDPERS RFP.

(2) Annual Trend Factors	5.0%	6.5%
Months of Trend	25.0	25.0

(3) Estimated current annual funding was based on annualized premium (January through May 2006).

NDPERS Carrier Summary of Projected Paid Claims & Administrative Fees - Dental For Plan Year January 1, 2007 through December 31, 2008

<u>GBS Estimate</u>	<u>Projected Dental Claims 1/07 to 12/08</u>	<u>Administrative Fees 1/07 to 12/08</u>
1. Best Case	\$49.49	N/A
2. Conservative	\$52.50	N/A
 <u>ASO Carriers</u> 		
A. Ameritas	Not Provided	\$2.74
B. Cigna	\$49.66	\$2.70
C. Delta Dental (1)	\$47.64	\$3.50
D. MetLife	DTQ	DTQ
E. Mutual of Omaha	DTQ	DTQ
F. Reliance Standard	Not Provided	\$3.26
G. UniCare (WellPoint)	Not Provided	\$2.67
H. Unimerica (United Healthcare)	\$54.43	\$2.47

(1) Delta Dental provided a \$52.50 Attachment Point (1.20 Factor) for \$0.25.

NDPERS
ASO vs Fully Insured Cost Comparison - Dental
For Plan Year January 1, 2007 through December 31, 2008

<u>ASO Projections</u>	<u>Projected Total Cost 1/07 to 12/08</u>	<u>Notes</u>
1. Best Case	\$5,468,008	5% Trend, No Claims Fluctuation Reserve, and \$2.74 (Ameritas) Admin Fee.
2. Conservative	\$5,888,700	6.5% Trend, Claims Fluctuation Reserve to Match Aggregate from Delta, \$3.50 (Delta) Admin Fee, and \$0.25 ASL Premium (Delta).

<u>Fully-Insured Alternatives</u>		<u>Difference Best Case</u>	<u>Variance Best Case</u>	<u>Difference Conservative</u>	<u>Variance Conservative</u>
A. Ameritas	\$5,666,826	\$198,818	3.6%	(\$221,874)	(3.8%)
B. Delta Dental (ACH Payment)	\$5,762,369	\$294,361	5.4%	(\$126,331)	(2.1%)
C. MetLife	\$5,766,605	\$298,597	5.5%	(\$122,095)	(2.1%)
D. Delta Dental (Check Payment)	\$5,790,937	\$322,929	5.9%	(\$97,763)	(1.7%)
E. Cigna	\$5,792,628	\$324,620	5.9%	(\$96,072)	(1.6%)
F. Reliance Standard	\$5,848,574	\$380,566	7.0%	(\$40,126)	(0.7%)

NOTE: All figures above are presented on a biennium basis and are based on the current plan design or closest alternative (option 1a).

NORTH DAKOTA PERS

SECTION IV-A

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
GENERAL				
This plan is to be written on a voluntary basis with the employees paying the full premium.	Agree	Agree	Agree	Agree
DENTAL CARE				
Is endodontia covered under Basic Services?	Yes	Yes	Yes	Yes
Is periodontia covered under Basic Services?	Yes	Yes	Yes	Yes
Deviations from specifications:				Deviations may be subject to change to accommodate final plan design &/or administrative procedures. In event that such a change does occur, it would be in accordance w/ MetLife standard underwriting practices & applicable legislative requirements. "Please refer to the Cost & Benefits Summary for any plan deviations."
Will your organization underwrite & administer the benefit program exactly as shown in RFP?	Believe proposal to be very accurate to bid specifications. "We are sure you'll find that our proposal compares favorably to your current or prior dental coverage, though any ultimate contract shall speak for itself & does not necessarily represent an exact duplication of your current plan."	Yes	Yes, with minor modification to the preventive office copay & the one-year plus-90-day claim submission requirement.	Yes, based on understanding of the administration guidelines.
Will your organization require any additional info or impose restrictions on benefit selections?	Not specified	No	No	Yes

**NORTH DAKOTA PERS
DENTAL QUESTIONNAIRE**

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
<p>What occurrences would require organization to change its proposed rates & fees for proposed effective date?</p>	<p>Not specified</p>	<p>(1) Federal or state legislation affecting Cigna's ability to meet obligations to NDPERS, plan members or contracted dentists. (2) Total enrollment varies by +/-15% or enrollment in any plan varies from assumed by +/-10%. (3) If benefit changes are requested. (4) If additional services including customized materials are requested or structure requirements change significantly from that assumed in quote. (5) Substantial changes to historical data (e.g., covered EEs. (6) Contribution strategy changes significantly. (7) Effective date is changed.</p>	<p>Decreases in enrollment by more than 10%.</p>	<p><u>MetLife may change rates for any of following reasons:</u> (1) When policy document is amended or endorsed. (2) When a class of eligible persons is added / deleted. (3) When policyholder's subsidiary, affiliate, division, branch or other similar entity is added / deleted. (4) When there is a significant change in geographic distribution of covered EEs. (5) When applicable law requires a change in [a] insurance provided by policy; and/or, [b] class of persons eligible for insurance under policy. (6) When a premium due date coincides with or next follows: [a] change greater than 10% in the # of covered persons since later of effective date & last date rates were changed; or [b] change greater than 10% in amount of coverage provided by policy since later of effective date & last date rates were changed. (7) Change in plan design.</p>
				<p><u>In addition, MetLife may change rates:</u> (1) On any date on or after 1st policy anniversary; (2) On any other date agreed to by MetLife & policyholder.</p>

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
List any other items that can be considered deviations from specification.	Not specified	N/A	Plan Options 1a, 1b, 1c & 1d were quoted as PPO versus indemnity plans.	\$10 copay on Preventive Services has been removed.
How & when do you assume responsibility for orthodontic treatment that is in process on the effective date?	No benefits will be payable for expenses incurred for a treatment program which was begun before insured became covered under Ameritas policy. <u>However</u> , this is waived for those persons who were insured for Orthodontic Expense benefits under the prior carrier and are both: (1) insured under this Ameritas policy; and (2) currently undergoing an orthodontic treatment program on the policy effective date.	Will initiate payments for the # of months remaining in member's case based on the R&C amounts & member's benefit plan. Will pay up to the benefit maximum for the # of months remaining & retention if any maximum dollars are left.	Ortho cases under way prior to Delta Dental's coverage will be pro-rated. This would include any previous payments issued on behalf of the patient for any other ortho services. Depending on the length of total treatment, patient may not be eligible for the full ortho benefit.	Benefits will be prorated based on amount of treatment completed.
Dental plan contains waiting periods; confirm ability to administer the current waiting periods.	Willing to work with NDPERS in honoring waiting periods for current plan participants.	Confirmed	Confirmed	Confirmed

NORTH DAKOTA PERS

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
If selected, the vendor must agree to honor the portion of the waiting period a current participant has met. Confirm that you can "carry-over" the waiting periods for current plan participants.	Willing to work with NDPERS in honoring waiting periods for current plan participants.	Confirmed	Confirmed	Confirmed
Confirm your ability to "carry-over" the YTD orthodontic benefits which apply toward the orthodontic lifetime maximum.	Willing to work with NDPERS in the ability to carry over orthodontic benefits for participants with orthodontic work in progress.	Carryover is NOT included.	Confirmed	Confirmed
What is your standard re-enrollment restriction period? (Currently, 3 years; applies if participant was insured and then drops coverage and wishes to reapply.)	Did not specifically address "re-enrollment." Member who elects to participate who did not elect coverage when initially eligible will be a Late Entrant & subject to limited benefits for the 1st 12 months of coverage.	Did not specifically address "re-enrollment." Although members are not required to re-enroll each year, Cigna encourages re-enrollment to help ensure up-to-date eligibility information.	To be determined by NDPERS.	Did not specifically address "re-enrollment." Do provide annual enrollments; however, Late Enrollees must satisfy a 1-year waiting period.
DENTAL NETWORK				
Can you provide a dental PPO plan in the state of ND?	No	No. N/A - quoting the Cigna Traditional Indemnity Plan; this is not a network-based plan.	Yes	Yes
If so, is your provider network available nationwide for individuals residing outside the state of ND?	N/A	N/A	Yes; nationwide network. 4 out of 5 dentists in America participate in the Delta Dental network, as do approximately 50% of ND dentists.	Yes; nationwide network.
Is your directory available on your website?	N/A	N/A	Yes	Yes

**NORTH DAKOTA PERS
DENTAL QUESTIONNAIRE**

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Do you own your provider network, or subcontract?	N/A	N/A	Own network	Own network
Is your dental network available statewide in ND?	N/A	N/A	Yes	Yes
If not, specify the locations where you network IS available.	N/A	N/A	N/A	N/A
If not, specify the locations where you network IS NOT available.	N/A	N/A	N/A	N/A
Are there any locations where you cannot administer the plan designs specified?	N/A	N/A	No	No
Do you have differing network provider arrangements?	N/A	N/A	Yes. Delta Dental has 2 networks nationwide: (1) Delta Dental Premier Network (America's largest) & (2) Delta Dental PPO Network. All PPO dentists are also members of the Premier Network. Primary difference is that PPO dentists accept deeper discounts.	No
Do the participating dentists have a contractual agreement not to "balance bill" the patient?	N/A	N/A	Yes	Yes

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
GENERAL				
This plan is to be written on a voluntary basis with the employees paying the full premium.	Agree	Agree	Agree	Agree
DENTAL CARE				
Is endodontia covered under Basic Services?	Yes	Yes	Yes	Yes
Is periodontia covered under Basic Services?	Yes	Yes	Yes	Yes
Deviations from specifications:				
Will your organization underwrite & administer the benefit program exactly as shown in RFP?	No; have supplied only a fully insured quote. Mutual is not able to supply a Voluntary self-funded quote due to system requirements within DentaBenefits structure.	Believe proposal to be very accurate to bid specifications. "We are sure you'll find that our proposal compares favorably to your current or prior dental coverage, though any ultimate contract shall speak for itself & does not necessarily represent an exact duplication of your current plan."	For ASO plans - Yes. For fully insured plans - Full administration of plans would depend on the filing & approval of certain provisions w/ the ND DOI. For example, in reviewing the claim filing described in the Administrative Manual, & certain other provisions of the dental plan, UniCare has determined that a filing & approval from the ND DOI may be required for insured contract, if the request is an exact duplication of NDPERS' current plan.	No; cannot administer the \$10 copay on Preventive Services. Otherwise, their plan matches current plan design exactly; therefore, it is a richer plan than current plan.
Will your organization require any additional info or impose restrictions on benefit selections?	Not specified	Not specified	"Please see Proposal Assumptions." (Section 13.) Also outlined in bid analysis Proposal Notes.	To be determined.

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
What occurrences would require organization to change its proposed rates & fees for proposed effective date?	If # of enrollees change by more than 10% reserve right to re-rate group.	Not specified	"Please see Proposal Assumptions." (Section 13.) Also outlined in bid analysis Proposal Notes.	Reserve right to alter rates if enrollment fluctuates by 10% or more.

NORTH DAKOTA PERS

SECTION IV-A

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
List any other items that can be considered deviations from specification.		Not specified	"Please see items listed on the Signature Page." <u>Per items listed on Signature Page:</u> (1) See Administration Requirements (Section 13, item 3). (2) See Dental Questionnaire (Section 9, items 5 & 7 regarding 3-year provision for re-enrollment. (3) See Minimum Conditions (Section 6, item 6). (4) See Response to NDPERS' Contract Provisions in the Exhibits Section for explanation on other deviations. (7) All other deviations are noted in the proposal contents.	N/A
How & when do you assume responsibility for orthodontic treatment that is in process on the effective date?	Will assume benefit responsibility for in process treatment on effective date of plan.	No benefits will be payable for expenses incurred for a treatment program which was begun before insured became covered under RSL policy. <u>However</u> , this is waived for those persons who were insured for Orthodontic Expense benefits under the prior carrier and are both: (1) insured under this RSL policy; and (2) currently undergoing an orthodontic treatment program on the policy effective date.	Response based on assumption of insured funding. Coverage becomes effective & benefits become payable when the EE meets all the eligibility requirements. Provide a continuation of ortho benefits for members currently undergoing ortho services. ER has the option to submit an orthodontic accumulator data from the previous carrier & save on lower claims costs. If submitted, UniCare applies the ortho lifetime max to new coverage. If not submitted, ortho claims will be paid as if these were initially incurred after the effective date of the member's new dental plan.	Prorated from previous carrier according to Unimerica's standard rates for the procedure. The # of months remaining in treatment, the amount paid under the prior plan, and the orthodontist's participation status is taken into consideration when prorating.
Dental plan contains waiting periods; confirm ability to administer the current waiting periods.	Proposal includes waiting periods which they can administer.	Willing to work with NDPERS in honoring waiting periods for current plan participants.	Confirmed; except the waiting period for re-enrollment (i.e., 3 years) must be filed & approved by the ND DOI.	Yes

NORTH DAKOTA PERS

SECTION IV-A

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
If selected, the vendor must agree to honor the portion of the waiting period a current participant has met. Confirm that you can "carry-over" the waiting periods for current plan participants.	All EEs who are listed as active plan members on prior carrier's final bill will have all waiting periods waived under the DentalBenefitis plan. Waiting periods will only apply to New Hires.	Willing to work with NDPERS in honoring waiting periods for current plan participants.	Confirmed, provided items that will be "carried-over" are reported in a format that is compatible with UniCare's system.	Will honor the waiting periods; however, cannot honor the carry-over.
Confirm your ability to "carry-over" the YTD orthodontic benefits which apply toward the orthodontic lifetime maximum.	Confirmed	Willing to work with NDPERS in the ability to carry over orthodontic benefits for participants with orthodontic work in progress.	Confirmed, provided items that will be "carried-over" are reported in a format that is compatible with UniCare's system.	Payment responsibility is determined by the preparation date. The insurance plan active on that date make the payment. The # of months remaining in treatment, the amount paid under the prior plan, and the orthodontist's participation status is taken into consideration when pro-rating.
What is your standard re-enrollment restriction period? (Currently, 3 years; applies if participant was insured and then drops coverage and wishes to reapply.)	Variable and can be made to match current plan re-enrollment restriction of 3 years.	Did not specifically address "re-enrollment." Member who elects to participate who did not elect coverage when initially eligible will be a Late Entrant & subject to limited benefits for the 1st 12 months of coverage.	There is not a specific re-enrollment penalty but the member would be considered a late applicant & subject to standard late applicant provisions: Preventive Services: begin immediately; Basic Services: 6-month waiting period; Major Services: 12-month waiting period; Orthodontia: 24-month waiting period.	No waiting period exists for re-enrollment if the participant voluntarily terminates the plan.
DENTAL NETWORK				
Can you provide a dental PPO plan in the state of ND?	Yes	No	No; offering traditional indemnity plans only.	No; proposing a dental indemnity plan only.
If so, is your provider network available nationwide for individuals residing outside the state of ND?	Yes; nationwide network.	N/A	N/A	N/A
Is your directory available on your website?	Yes	N/A	N/A	N/A

NORTH DAKOTA PERS

SECTION IV-A

DENTAL QUESTIONNAIRE

Proposed Effective Date: January 1, 2007

DENTAL QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (Wellpoint)	Unimerica
Do you own your provider network, or subcontract?	No. United Concordia created & owns the proposed networks & are not leased to Mutual or to others.	N/A	N/A	N/A
Is your dental network available statewide in ND?	Provided spreadsheet outlining participating network providers in ND.	N/A	N/A	N/A
If not, specify the locations where you network IS available.	Not specified	N/A	N/A	N/A
If not, specify the locations where you network IS NOT available.	Not specified	N/A	N/A	N/A
Are there any locations where you cannot administer the plan designs specified?	Not specifically addressed. "Refer to Exhibit D for Disruption Analysis."	N/A	N/A	N/A
Do you have differing network provider arrangements?	No	N/A	N/A	N/A
Do the participating dentists have a contractual agreement not to "balance bill" the patient?	Yes	N/A	N/A	N/A

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
SPECIFICATIONS				
Vendor must permit employer to have access to all files on request.	Agree	Agree	Agree	N/A - QUOTING ONLY ON A FULLY INSURED BASIS.
Run-out claims will be paid by existing carrier. Pricing should assume no run-in claims payment.	Agree	Agree	Agree	
FIRM / ORGANIZATION				
# of employer groups in following categories:				
1,000 - 5,000 employees	103 groups	DHMO = 2,278; PPO = 2,006; Indemnity = 599	111	
5,000 - 10,000 employees	11 groups	DHMO = 19; PPO = 71; Indemnity = 5	20	
10,000+ employees	7 groups	DHMO = 9; PPO = 72; Indemnity = 3	19	

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
CLAIMS ADMINISTRATION SERVICES				
Describe the options available to the group for submitting eligibility data.	Paper Group Enrollment Forms can be used for enrollment. Electronic eligibility management is a current capability available. Can receive eligibility electronically via phone modem transfer, diskette, or an e-mail attachment. Frequency is base on size of case & volume of EE status changes.	Paper or automated media. Recommend transfer at least 2x per month. May be an additional fee if standard format requirements cannot be met. Standard file transfer formats include: compact disk, diskette, secure e-mail, FTP w/ PGP, secure FTP (Cyclone Generator), and HTTPS.	Tape, diskette, via web or paper.	
	Offer eServices including (1) eEnroll - online processing of enrollment / changes & detailed member lists, (2) eBill - online billing and billing history, and EFT/Online bill payment.			
Do you maintain separate bank accounts for each client?	Yes	Not specifically answered. Banking arrangements for ASO programs are administered by Citibank, N.A. or JP Morgan Chase; however, NDPERS may select any bank to fund the account. Clients incur to monthly banking fees for above-listed banks. Client is responsible for any costs associated with wire transfers from their local bank to above-listed banks.	No	
Confirm your ability to adjudicate the proposed plan designs.	Not specifically addressed.	Confirmed.	Confirmed; able to adjudicate propose plan designs as modified by their copay by-exam provision for Preventive Care.	

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Which provisions would require manual intervention?	(1) Claimant or provider cannot be identified; (2) coordination of benefits is necessary; (3) procedures requiring consultant or x-ray/charting review and other administrative review.	(1) Verifying potential duplicate expense; (2) screening claims for missing data.;(3) adhering to certain state legislative mandates; (4) entering missing data into system; (5) identifying procedures for consultant review; (6) processing procedures where x-rays, written narrative, pathology report, etc. is required to verify necessity of procedure; (7) processing orthodontic claims	Some orthodontia & COB claims.	
Can non-ERISA plans establish their own claims processing / appeal standards?	No; Ameritas is currently compliant with ERISA & DOL regulations as they apply to dental coverage.	No	Yes	
Claims appeal process				
Are there any additional fees associated with this process?	No	No	No	
Do you have the ability to administer the employer's appeal process?	Not specified. If an insured feels his/her dental claim has been incorrectly processed, Ameritas will verify that the claim was properly paid according to the plan design & the eligibility information supplied by the policyholder.	No	Yes; have found that their established process works to the benefit of their clients & members. "However, we look forward to learning more about your process."	
What was the average turnaround time for paid claims for the last 2 years?				
2005	90% processed within 6.75 business days.	96.9% processed within 10 days; 98.8% processed within 15 days.	99.28% processed within 14 days; 99.83% processed within 30 days.	
2006 YTD	90% processed within 6 business days.	97.3% processed within 10 days; 99.1% processed within 15 days.	98.94% processed within 14 days; 99.80% processed within 30 days; average of 2.41 days.	
Indicate the claims accuracy rate for the last 2 years?				
2005	98.52% (processing accuracy)	97.8% accuracy	99.11% accuracy	
2006 YTD	98.52% (processing accuracy)	97.8% accuracy	99.75% accuracy	

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
Identification & recovery of 3rd party liability & COB claims.				
Do you outsource this service?	No	Yes	No	
Audits:				
What is the frequency of your internal audits?	Daily supervisory review.	Claims Processing: Random selection made from processed claims representing approx 1-2% (or 20 claims per processor per month). Member / Customer Service: Total of 5 outreach customer satisfaction survey calls per month per CSA make up 50% of overall quality score. Total of 10 internal call audits make up 40% of overall quality score. Total of 5 closed call audit reviews are also performed.	Monthly, quarterly & annually.	
What is the frequency of your external audits?	Not specified	Annually	Annually	
Who performs the external audits?	Not specified	Subject to audits by state regulators as well as their certified public accountants - PricewaterhouseCoopers.	McGadrey and Pullen. Annual claims audits performed to ensure proper eligibility & benefit determination, claim payment & customer billing.	
Would you be willing to pay for an outside audit?	Disagree. Willing to allow policyholder or its designated agent to audit their performance. Any travel, room and board costs of the auditors would be at the policyholder's expense. Other costs would be negotiated with the policyholder.	Disagree.	Disagree. Do not pay for client's audit costs; will provide staff & review time at no cost.	
- If so, specify the \$ amount.	Would be negotiated.	N/A	N/A	

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Ameritas	Cigna Dental	Delta Dental of Minnesota	MetLife
In the event of contract termination, how will you process "run-out" claims?	Will continue to process all claims received on or before the date Agreement is discontinued. Contractor will assume the responsibility for all claims received after the Agreement is discontinued. Any claims received by Ameritas after the discontinuance will be forwarded to the Contractor within 3 business days of receipt.	ASO. Fees do not include payment of run-out claims. If desired, fee is = to 2x the last month of admin charges upon termination.	Pre-determined fee per claim processed.	
	Upon request, & with appropriate guarantees of funding & agreement to Administrative Service Charges from Contractor, Ameritas will, for a period of 90 days subsequent to discontinuance of Agreement, continue to process those standard dental claims containing expenses for services prior to date of discontinuance.	Fully insured. Cigna is contractually liable for all run-outs. Do not charge a separate fee for admin of fully insured run-outs; charge is built into rates.		
<i>Duration of run-out claims adjudication</i>	90 days with agreement.	Not specified.	-	
Describe your fee to administer run-out in the event the contract is terminated.	Claims run-out is included in the fees.	ASO. Fees do not include payment of run-out claims. If desired, fee is = to 2x the last month of admin charges upon termination.	Fee will depend upon length of run-out period.	

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
SPECIFICATIONS				
Vendor must permit employer to have access to all files on request.	N/A - QUOTING ONLY ON A FULLY INSURED BASIS.	Agree	Agree	Agree
			ASO. Subject to UniCare's audit guidelines.	Will make available to ER or its designees relevant information necessary for ER to perform planning, administration, audit and financial functions, except as may be prohibited by law or the third party contract.
			Insured. UniCare can agree to permit NDPERS to audit eligibility & premium billing data in accordance w/ UniCare's audit guidelines. Audits of claims are not permitted except under certain circumstances. UniCare agrees to further discussion on NDPERS' audit requirements under an insured arrangement.	Unimerica or an affiliated entity may use the information for research, creating comparative databases, statistical analysis, or other studies. Will maintain the confidentiality of such information as it relates to any individual EE, provider, or NDPERS' business. In using or releasing confidential information, Unimerica will comply with applicable laws.
Run-out claims will be paid by existing carrier. Pricing should assume no run-in claims payment.		Agree	Agree	Agree
FIRM / ORGANIZATION				
# of employer groups in following categories:				
1,000 - 5,000 employees		7	Handle approx. 31,000 accounts. Of those, 28,000 are considered small group accounts w/ 2-50 members. The remaining 3,000 are large clients with more than 50 members per group.	152
5,000 - 10,000 employees		5	See above.	25
10,000+ employees		2	See above.	14

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
CLAIMS ADMINISTRATION SERVICES				
Describe the options available to the group for submitting eligibility data.		Paper Group Enrollment Forms can be used for enrollment. Electronic eligibility management is a current capability available. Can receive eligibility electronically via phone modem transfer, diskette, or an e-mail attachment. Frequency is base on size of case & volume of EE status changes.	Standardly offer: paper, disk and electronic tape to tape transfer to report initial case set-up & ongoing eligibility transactions. Also offering NDPERS an option to transmit maintenance eligibility transactions online via the Internet; virtually eliminates paper-intensive enrollment maintenance process.	Standard is to receive eligibility data via Internet File Transfer Protocol (FTP). Accept the following eligibility layouts: (1) United Healthcare 3005 file format - their standard electronic format; (2) HIPAA-compliant 834 file format - the industry's standard format; (3) HR-SML file format - an emerging Internet transaction standard for enrollment & eligibility processing.
		Offer eServices including (1) eEnroll - online processing of enrollment / changes & detailed member lists, (2) eBill - online billing and billing history, and EFT/Online bill payment.	Able to accept files which follow their electronic specifications either initially or ongoing. Work with NDPERS to develop automated interface file.	
Do you maintain separate bank accounts for each client?		Yes	Yes. Banking system in place involves use of JPMorgan Chase. Claim checks are issued against their Omnibus Claim Account maintained at JPMorgan Chase. In addition to Omnibus Claim Account, the banking system requires 2 client bank accounts: (1) checking account at any bank NDPERS chooses; (2) client account that has to be established by JPMorgan Chase. (See proposal, Section 7, page 50 for details.)	Yes
Confirm your ability to adjudicate the proposed plan designs.		Not specifically addressed.	The WellPoint Dental system has the ability to adjudicate <u>their</u> proposed plan designs.	Cannot administer the \$10 copay on Preventive Services or the carryover on the waiting period.

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Which provisions would require manual intervention?		(1) Claimant or provider cannot be identified; (2) coordination of benefits is necessary; (3) procedures requiring consultant or x-ray/charting review and other administrative review.	Can administer <u>their</u> proposed plan designs without manual intervention.	None specified.
Can non-ERISA plans establish their own claims processing / appeal standards?		No; RSL is currently compliant with ERISA & DOL regulations as they apply to dental coverage.	Yes, provided UniCare can agree to administer the processes.	Yes. With respect to claims processing function, can agree as long as the claims process can be administered within the current parameters of their system.
Claims appeal process				
Are there any additional fees associated with this process?		No	Any costs would depend on scope & complexity of the required process.	No
Do you have the ability to administer the employer's appeal process?		Not specified. If an insured feels his/her dental claim has been incorrectly processed, Ameritas will verify that the claim was properly paid according to the plan design & the eligibility information supplied by the policyholder.	Will gladly discuss the details & timeline of NDPERS' appeal process upon selection as a finalist.	Yes
What was the average turnaround time for paid claims for the last 2 years?				
2005		90% processed within 6.75 business days.	91.09% processed within 14 calendar days; 97.81% processed within 30 days.	91.17% processed within 10 days; 96.48% processed within 15 days; 98.43% processed within 30 days.
2006 YTD		90% processed within 6 business days.	88.39% processed within 14 calendar days; 95.23% processed within 30 calendar days.	92.17% processed within 10 days; 97.60% processed within 15 days; 99.13% processed within 30 days.
Indicate the claims accuracy rate for the last 2 years?				
2005		98.52% (processing accuracy)	99.77% (processing accuracy)	98.47% (processing accuracy)
2006 YTD		98.52% (processing accuracy)	99.53% (processing accuracy)	98.90% (processing accuracy)

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
Identification & recovery of 3rd party liability & COB claims. Do you outsource this service?		No	No	No
Audits:				
What is the frequency of your internal audits?		Daily supervisory review.	Daily internal audits; corporate audits conducted at least annually.	Weekly- random sample of claims selected for review. Monthly - randomly select a minimum sample per Claims Processor of 20 claims per month. A daily report is generated after batch process complete, listing claims paid that exceed \$ limit; Supervisor reviews & clears for payment w/i 12 - 24 hours after all reviews on claims have been cleared. Audit 1% of all claims submitted to Dental Consultants each day.
What is the frequency of your external audits?		Not specified	Annually	Not addressed; refer only to client requesting an audit.
Who performs the external audits?		Not specified	Ernst & Young	Not specified.
Would you be willing to pay for an outside audit?		Disagree. Willing to allow policyholder or its designated agent to audit their performance. Any travel, room and board costs of the auditors would be at the policyholder's expense. Other costs would be negotiated with the policyholder.	Disagree. External audits may be conducted annually by the self-funded client or its representative at the client's cost.	No. Client is responsible for all costs incurred by them & their representatives in conducting the audit.
- If so, specify the \$ amount.		Would be negotiated.	N/A	N/A

CLAIMS ADMINISTRATION QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

CLAIMS ADMIN. QUESTIONNAIRE	Mutual of Omaha	Reliance Standard	UniCare (WellPoint)	Unimerica
In the event of contract termination, how will you process "run-out" claims?		Will continue to process all claims received on or before the date Agreement is discontinued. Contractor will assume the responsibility for all claims received after the Agreement is discontinued. Any claims received by Ameritas after the discontinuance will be forwarded to the Contractor within 3 business days of receipt.	Will process run-out claims.	Will process run-out claims - 12% Administrative fee.
		Upon request, & with appropriate guarantees of funding & agreement to Administrative Service Charges from Contractor, Ameritas will, for a period of 90 days subsequent to discontinuance of Agreement, continue to process those standard dental claims containing expenses for services prior to date of discontinuance.		
<i>Duration of run-out claims adjudication</i>		90 days with agreement.	90 days.	6 months.
Describe your fee to administer run-out in the event the contract is terminated.		Claims run-out is included in the fees.	Upon selection as a finalist, UniCare will gladly discuss NDPERS administration of run-out claims & fees associated with this function.	Will administer run-out for period of 6 months with a 12% admin fee.

AGGREGATE STOP LOSS QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

AGGREGATE STOP LOSS	Delta Dental of Minnesota
GENERAL INFORMATION	
Is your organization licensed to do business in ND?	Yes
Licensed in all 50 states?	Yes
How many dental ASL clients to you currently have?	Have several ASL arrangements with jumbo self-funded groups where annual claims exceed \$10 million.
Stop Loss Carrier	
Stop Loss Carrier Ratings:	
A.M. Best	A
Moody's	Not rated
Standard & Poors	AA-
Duff & Phelps	Not rated
PROPOSAL	
How long are ASL rates guaranteed?	24 months
Are you willing to guarantee these rates for a period longer than 12 months?	Yes, as long as enrollment does not deviate more than 10%.
Is your organization's excess loss contract guaranteed renewable?	No. Excess loss contract is guaranteed renewable given there are no significant changes in enrollment, plan design or contribution level. At each renewal, the claim baseline will be adjusted accordingly.
Coverage is based on a no loss / no gain full transfer of coverage basis.	Agree
Client considers coverage to be "bound" when the new carrier is in receipt of the 1st month's premium payment & executed application.	Agree
Once coverage is bound, your organization cannot impose a modification of rates or factors mid-year.	Agree; however, if there is a deviation in enrollment by 10% or more, reserve right to review rates mid year.

AGGREGATE STOP LOSS QUESTIONNAIRE FOR SELF-FUNDED VOLUNTARY DENTAL PLAN

Proposed Effective Date: January 1, 2007

AGGREGATE STOP LOSS	Delta Dental of Minnesota
Describe all commissions, overrides, contingencies, service fees to be paid for stop loss insurance. NDPERS may audit for compliance.	\$0.25 pepm fee will be charged for stop loss coverage of 120%.
RENEWAL	
NDPERS requires preliminary info from their vendors 180 days in advance of their actual renewal. Able to comply?	Yes
Does your contract recognize all eligible employees, dependents, FMLA, retirees & COBRA beneficiaries as defined in the Plan Document?	Yes

NOTES:

ONLY Delta Dental of MN provided a quote for Aggregate Stop Loss.

Cigna does not offer stop loss coverage for their dental clients. Per cover letter: willing to partner with an independent stop loss vendor who can offer dental ASL.

DENTAL NETWORK ACCESSIBILITY

Proposed Effective Date: January 1, 2007

	Delta Dental of MN						MetLife						Mutual of Omaha					
	# General Dentists	# of Endodontists	# of Periodontists	# of Orthodontists	# Other Specialists (Includes Pedodontists)	Total	# General Dentists	# of Endodontists	# of Periodontists	# of Orthodontists	# Other Specialists (Includes Pedodontists)	Total	# General Dentists	# of Endodontists	# of Periodontists	# of Orthodontists	# Other Specialists (Includes Pedodontists)	Total
Preferred Provider Network																		
Bismarck, ND (Zip Code 585)	2	0	0	0	4	6	2	0	0	0	0	2	11	0	1	0	4	16
Devils Lake, ND (Zip Code 583)	1	1	0	0	2	4	0	0	0	0	0	0	5	1	0	0	0	6
Dickinson, ND (Zip Code 586)	5	0	0	0	1	6	0	0	0	0	0	0	3	0	0	0	0	3
Fargo, ND (Zip Code 581)	10	0	1	2	7	20	0	0	0	0	3	3	8	0	0	2	3	13
Grand Forks, ND (Zip Code 582)	9	0	0	0	8	17	0	0	0	0	1	1	30	0	0	0	5	35
Jamestown, ND (Zip Code 584)	0	0	0	1	2	3	0	0	0	0	2	2	3	0	0	1	0	4
Minot & Norwich, ND (Zip Code 587)	0	0	0	1	7	8	1	0	0	0	0	1	25	0	1	2	4	32
Williston, ND (Zip Code 588)	6	0	0	1	2	9	2	0	0	0	1	3	1	0	0	0	2	3
Participating Provider Network							NOT APPLICABLE						NOT APPLICABLE					
Bismarck, ND (Zip Code 585)	25	0	0	0	4	29	NOT APPLICABLE						NOT APPLICABLE					
Devils Lake, ND (Zip Code 583)	2	1	0	0	2	5	NOT APPLICABLE						NOT APPLICABLE					
Dickinson, ND (Zip Code 586)	9	0	0	0	1	10	NOT APPLICABLE						NOT APPLICABLE					
Fargo, ND (Zip Code 581)	27	0	1	2	7	37	NOT APPLICABLE						NOT APPLICABLE					
Grand Forks, ND (Zip Code 582)	21	0	0	0	8	29	NOT APPLICABLE						NOT APPLICABLE					
Jamestown, ND (Zip Code 584)	3	0	0	1	2	6	NOT APPLICABLE						NOT APPLICABLE					
Minot & Norwich, ND (Zip Code 587)	13	0	0	1	7	21	NOT APPLICABLE						NOT APPLICABLE					
Williston, ND (Zip Code 588)	9	0	0	1	2	12	NOT APPLICABLE						NOT APPLICABLE					

NOTE: The following vendors do not have a dental network:

- 1) Ameritas
- 2) Cigna
- 3) Reliance Standard
- 4) Unicare (WellPoint)
- 5) Unimerica

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

1. Bismarck, ND (Zip Code 585)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$57	\$34	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$80	\$86	\$46	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$95	\$103	\$57	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$111	\$124	\$67	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$90	\$97	\$52	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$719	\$772	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$682	\$730	\$418	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$707	\$771	\$438	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$456	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$664	\$703	\$404	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$731	\$788	\$465	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for review
4341	Periodontal scaling	\$174	\$189	\$99	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$719	\$772	\$432	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$718	\$771	\$418	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for review
7240	Extraction, complete bony impaction	\$306	\$311	\$188	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

2. Dickinson, ND (Zip Code 586)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$57	\$34	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$80	\$86	\$46	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$95	\$103	\$57	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$111	\$124	\$67	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$90	\$97	\$52	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$719	\$772	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$682	\$730	\$418	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$707	\$771	\$438	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$456	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$664	\$703	\$404	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$731	\$788	\$465	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$174	\$189	\$99	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$719	\$772	\$432	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$718	\$771	\$418	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$306	\$311	\$188	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

3. Fargo, ND (Zip Code 581)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$33	\$35	\$20	\$34	\$35	N/A	\$34	\$35	\$30	\$35	\$37	\$25
272	Radiographs – 2 films	\$32	\$34	\$19	\$33	\$34	N/A	\$33	\$34	\$28	\$32	\$34	\$23
274	Radiographs – 4 films	\$44	\$46	\$26	\$45	\$47	N/A	\$45	\$47	\$38	\$49	\$51	\$34
1110	Adult prophylaxis	\$63	\$66	\$40	\$67	\$71	N/A	\$67	\$71	\$64	\$67	\$73	\$54
1120	Child prophylaxis	\$45	\$48	\$28	\$44	\$49	N/A	\$44	\$49	\$44	\$43	\$49	\$42
2140	Amalgam – 1 surface	\$90	\$98	\$54	\$105	\$116	N/A	\$105	\$116	\$72	\$95	\$100	\$70
2150	Amalgam – 2 surface	\$112	\$125	\$69	\$127	\$150	N/A	\$127	\$150	\$97	\$118	\$124	\$87
2160	Amalgam – 3 surface	\$135	\$154	\$83	\$146	\$177	N/A	\$146	\$177	\$123	\$148	\$167	\$110
2330	Composite resin	\$105	\$113	\$62	\$113	\$128	N/A	\$113	\$128	\$102	\$117	\$130	\$79
2750	Porcelain w/ gold crown	\$779	\$830	\$511	\$783	\$807	N/A	\$783	\$807	\$798	\$804	\$854	\$670
2751	Porcelain w/ non-precious metal crown	\$746	\$776	\$476	\$777	\$777	N/A	\$777	\$777	\$756	\$762	\$849	\$620
2752	Porcelain w/ semiprecious metal crown	\$747	\$802	\$488	\$751	\$765	N/A	\$751	\$765	\$766	\$762	\$849	\$646
2790	Crown gold full case	\$768	\$803	\$483	\$777	\$788	N/A	\$777	\$788	\$791	\$766	\$795	\$620
3330	3 root canal therapy	\$802	\$831	\$495	\$770	\$770	N/A	\$770	\$770	\$685	\$816	\$859	\$680
4260	Osseous surgery per quadrant	\$845	\$919	\$477	\$805	\$805	N/A	\$805	\$805	\$834	\$871	\$917	Not Available for Review
4341	Periodontal scaling	\$201	\$216	\$107	\$221	\$245	N/A	\$221	\$245	\$199	\$223	\$235	\$129
6750	Fixed bridge / porcelain gold crown	\$792	\$845	\$480	\$788	\$844	N/A	\$788	\$844	\$802	\$804	\$854	\$665
6752	Fixed bridge / porcelain semiprecious crown	\$756	\$827	\$464	\$807	\$807	N/A	\$794	\$807	\$754	\$727	\$727	Not Available for Review
7240	Extraction, complete bony impaction	\$332	\$341	\$203	\$325	\$392	N/A	\$325	\$392	\$339	\$315	\$360	\$275
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,383			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

4. Grand Forks, ND (Zip Code 582)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$27	\$29	\$16	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$26	\$28	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$53	\$55	\$34	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$38	\$41	\$23	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$75	\$82	\$45	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$91	\$100	\$55	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$107	\$119	\$65	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$86	\$92	\$51	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$727	\$790	\$460	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$672	\$712	\$410	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$702	\$752	\$431	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$427	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$664	\$703	\$394	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$754	\$812	\$454	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$168	\$183	\$96	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$721	\$790	\$451	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$702	\$752	\$412	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$297	\$311	\$183	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

5. Minot & Norwich, ND (zip code 587)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$57	\$34	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$80	\$86	\$46	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$95	\$103	\$57	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$111	\$124	\$67	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$90	\$97	\$52	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$719	\$772	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$682	\$730	\$418	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$707	\$771	\$438	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$456	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$664	\$703	\$404	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$731	\$788	\$465	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$174	\$189	\$99	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$719	\$772	\$432	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$718	\$771	\$418	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$306	\$311	\$188	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

6. Devils Lake, ND (Zip Code 583)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$29	\$31	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$39	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$58	\$35	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$40	\$42	\$24	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$79	\$87	\$47	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$96	\$105	\$58	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$114	\$127	\$68	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$91	\$98	\$53	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$705	\$759	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$666	\$703	\$427	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$693	\$758	\$439	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$455	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$703	\$729	\$411	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$729	\$788	\$473	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$177	\$198	\$100	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$705	\$759	\$439	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$704	\$758	\$424	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$297	\$311	\$191	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

7. Jamestown, ND (Zip Code 584)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$29	\$31	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$39	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$58	\$35	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$40	\$42	\$24	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$79	\$87	\$47	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$96	\$105	\$58	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$114	\$127	\$68	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$91	\$98	\$53	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$705	\$759	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$666	\$703	\$427	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$693	\$758	\$439	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$455	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$703	\$729	\$411	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$729	\$788	\$473	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$177	\$198	\$100	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$705	\$759	\$439	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$704	\$758	\$424	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$297	\$311	\$191	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

8. Williston, ND (Zip Code 588)

ADA Code	Description	Ameritas			Cigna Dental			Delta Dental of MN			MetLife		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$17	\$30	\$32	N/A	\$30	\$32	\$30	\$30	\$32	\$23
272	Radiographs – 2 films	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$28	\$27	\$31	\$21
274	Radiographs – 4 films	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$42	\$37	\$41	\$44	\$32
1110	Adult prophylaxis	\$55	\$57	\$34	\$59	\$62	N/A	\$59	\$62	\$64	\$60	\$60	\$51
1120	Child prophylaxis	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$42	\$43	\$40	\$42	\$40
2140	Amalgam – 1 surface	\$80	\$86	\$46	\$85	\$97	N/A	\$85	\$97	\$71	\$84	\$90	\$66
2150	Amalgam – 2 surface	\$95	\$103	\$57	\$103	\$111	N/A	\$103	\$111	\$96	\$99	\$104	\$83
2160	Amalgam – 3 surface	\$111	\$124	\$67	\$122	\$132	N/A	\$122	\$132	\$121	\$110	\$124	\$104
2330	Composite resin	\$90	\$97	\$52	\$96	\$104	N/A	\$96	\$104	\$101	\$97	\$104	\$75
2750	Porcelain w/ gold crown	\$719	\$772	\$459	\$720	\$733	N/A	\$720	\$733	\$781	\$696	\$737	\$635
2751	Porcelain w/ non-precious metal crown	\$682	\$730	\$418	\$682	\$700	N/A	\$682	\$700	\$741	\$661	\$683	\$587
2752	Porcelain w/ semiprecious metal crown	\$707	\$771	\$438	\$692	\$726	N/A	\$692	\$726	\$751	\$678	\$696	\$612
2790	Crown gold full case	\$689	\$707	\$456	\$725	\$733	N/A	\$725	\$733	\$776	\$710	\$719	\$587
3330	3 root canal therapy	\$664	\$703	\$404	\$735	\$735	N/A	\$735	\$735	\$678	\$697	\$742	\$644
4260	Osseous surgery per quadrant	\$731	\$788	\$465	\$710	\$760	N/A	\$710	\$760	\$767	\$744	\$791	Not Available for Review
4341	Periodontal scaling	\$174	\$189	\$99	\$195	\$198	N/A	\$195	\$198	\$193	\$206	\$208	\$122
6750	Fixed bridge / porcelain gold crown	\$719	\$772	\$432	\$709	\$733	N/A	\$709	\$726	\$782	\$696	\$737	\$630
6752	Fixed bridge / porcelain semiprecious crown	\$718	\$771	\$418	\$720	\$731	N/A	\$720	\$731	\$743	\$678	\$696	Not Available for Review
7240	Extraction, complete bony impaction	\$306	\$311	\$188	\$300	\$319	N/A	\$300	\$319	\$321	\$322	\$322	\$260
----	Orthodontic: Global rate for normal adolescent case *				Orthodontia is determined on a case-by-case basis.	Orthodontia is determined on a case-by-case basis.	N/A	N/A	N/A	\$4,337			

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

1. Bismarck, ND (Zip Code 585)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$28	\$30	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$57	\$34	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$80	\$86	\$46	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$95	\$103	\$57	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$111	\$124	\$67	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$90	\$97	\$52	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$719	\$772	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$682	\$730	\$418	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$707	\$771	\$438	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$456	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$664	\$703	\$404	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$731	\$788	\$465	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$174	\$189	\$99	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$719	\$772	\$432	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$718	\$771	\$418	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$306	\$311	\$188	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,301	\$4,607	\$4,301

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

2. Dickinson, ND (Zip Code 586)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$28	\$30	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$57	\$34	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$80	\$86	\$46	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$95	\$103	\$57	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$111	\$124	\$67	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$90	\$97	\$52	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$719	\$772	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$682	\$730	\$418	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$707	\$771	\$438	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$456	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$664	\$703	\$404	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$731	\$788	\$465	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$174	\$189	\$99	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$719	\$772	\$432	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$718	\$771	\$418	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$306	\$311	\$188	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,302	\$4,608	\$4,302

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

3. Fargo, ND (Zip Code 581)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$33	\$35	\$23	\$33	\$35	\$20	\$34	\$35	N/A	\$33	\$35	\$17
272	Radiographs – 2 films	\$32	\$33	\$22	\$32	\$34	\$19	\$33	\$34	N/A	\$32	\$33	\$15
274	Radiographs – 4 films	\$43	\$45	\$29	\$44	\$46	\$26	\$45	\$47	N/A	\$44	\$46	\$24
1110	Adult prophylaxis	\$64	\$68	\$45	\$63	\$66	\$40	\$67	\$71	N/A	\$65	\$68	\$37
1120	Child prophylaxis	\$41	\$44	\$33	\$45	\$48	\$28	\$44	\$49	N/A	\$42	\$44	\$26
2140	Amalgam – 1 surface	\$90	\$98	\$71	\$90	\$98	\$54	\$105	\$116	N/A	\$96	\$105	\$45
2150	Amalgam – 2 surface	\$111	\$132	\$85	\$112	\$125	\$69	\$127	\$150	N/A	\$120	\$140	\$58
2160	Amalgam – 3 surface	\$139	\$162	\$101	\$135	\$154	\$83	\$146	\$177	N/A	\$140	\$162	\$71
2330	Composite resin	\$101	\$109	\$74	\$105	\$113	\$62	\$113	\$128	N/A	\$109	\$119	\$56
2750	Porcelain w/ gold crown	\$771	\$788	\$583	\$779	\$830	\$511	\$783	\$807	N/A	\$783	\$812	\$464
2751	Porcelain w/ non-precious metal crown	\$771	\$777	\$525	\$746	\$776	\$476	\$777	\$777	N/A	\$777	\$777	\$397
2752	Porcelain w/ semiprecious metal crown	\$715	\$717	\$581	\$747	\$802	\$488	\$751	\$765	N/A	\$727	\$738	\$426
2790	Crown gold full case	\$740	\$771	\$577	\$768	\$803	\$483	\$777	\$788	N/A	\$765	\$788	\$437
3330	3 root canal therapy	\$735	\$735	\$527	\$802	\$831	\$495	\$770	\$770	N/A	\$735	\$735	\$445
4260	Osseous surgery per quadrant	\$735	\$805	\$613	\$845	\$919	\$477	\$805	\$805	N/A	\$805	\$805	\$422
4341	Periodontal scaling	\$220	\$235	\$125	\$201	\$216	\$107	\$221	\$245	N/A	\$215	\$235	\$84
6750	Fixed bridge / porcelain gold crown	\$765	\$773	\$554	\$792	\$845	\$480	\$788	\$844	N/A	\$783	\$812	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$699	\$715	\$551	\$756	\$827	\$464	\$794	\$807	N/A	\$717	\$776	\$426
7240	Extraction, complete bony impaction	\$300	\$300	\$229	\$332	\$341	\$203	\$325	\$392	N/A	\$300	\$300	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,292	\$4,598	\$4,292

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

4. Grand Forks, ND (Zip Code 582)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$27	\$29	\$16	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$26	\$28	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$53	\$55	\$34	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$38	\$41	\$23	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$75	\$82	\$45	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$91	\$100	\$55	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$107	\$119	\$65	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$86	\$92	\$51	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$727	\$790	\$460	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$672	\$712	\$410	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$702	\$752	\$431	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$427	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$664	\$703	\$394	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$754	\$812	\$454	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$168	\$183	\$96	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$721	\$790	\$451	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$702	\$752	\$412	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$297	\$311	\$183	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,304	\$4,611	\$4,304

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

5. Minot & Norwich, ND (zip code 587)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$28	\$30	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$57	\$34	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$80	\$86	\$46	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$95	\$103	\$57	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$111	\$124	\$67	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$90	\$97	\$52	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$719	\$772	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$682	\$730	\$418	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$707	\$771	\$438	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$456	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$664	\$703	\$404	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$731	\$788	\$465	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$174	\$189	\$99	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$719	\$772	\$432	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$718	\$771	\$418	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$306	\$311	\$188	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,303	\$4,610	\$4,603

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

6. Devils Lake, ND (Zip Code 583)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$29	\$31	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$39	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$58	\$35	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$40	\$42	\$24	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$79	\$87	\$47	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$96	\$105	\$58	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$114	\$127	\$68	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$91	\$98	\$53	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$705	\$759	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$666	\$703	\$427	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$693	\$758	\$439	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$455	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$703	\$729	\$411	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$729	\$788	\$473	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$177	\$198	\$100	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$705	\$759	\$439	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$704	\$758	\$424	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$297	\$311	\$191	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,304	\$4,611	\$4,304

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

7. Jamestown, ND (Zip Code 584)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$29	\$31	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$39	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$58	\$35	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$40	\$42	\$24	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$79	\$87	\$47	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$96	\$105	\$58	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$114	\$127	\$68	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$91	\$98	\$53	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$705	\$759	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$666	\$703	\$427	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$693	\$758	\$439	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$455	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$703	\$729	\$411	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$729	\$788	\$473	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$177	\$198	\$100	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$705	\$759	\$439	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$704	\$758	\$424	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$297	\$311	\$191	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,303	\$4,610	\$4,303

DENTAL CONTRACTED RATES

Proposed Effective Date: January 1, 2007

8. Williston, ND (Zip Code 588)

ADA Code	Description	Mutual of Omaha			Reliance Standard			UniCare			Unimerica		
		80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate	80 th Percentile R&C	90 th Percentile R&C	In-Network Contracted Rate
120	Periodic oral evaluation	\$28	\$30	\$23	\$28	\$30	\$17	\$30	\$32	N/A	\$29	\$31	\$17
272	Radiographs – 2 films	\$27	\$29	\$22	\$27	\$29	\$16	\$28	\$30	N/A	\$28	\$30	\$15
274	Radiographs – 4 films	\$38	\$39	\$29	\$38	\$40	\$22	\$38	\$42	N/A	\$38	\$41	\$24
1110	Adult prophylaxis	\$57	\$59	\$45	\$55	\$57	\$34	\$59	\$62	N/A	\$58	\$60	\$37
1120	Child prophylaxis	\$39	\$40	\$33	\$39	\$41	\$23	\$40	\$42	N/A	\$40	\$40	\$26
2140	Amalgam – 1 surface	\$84	\$95	\$71	\$80	\$86	\$46	\$85	\$97	N/A	\$84	\$93	\$45
2150	Amalgam – 2 surface	\$99	\$113	\$85	\$95	\$103	\$57	\$103	\$111	N/A	\$99	\$109	\$58
2160	Amalgam – 3 surface	\$118	\$138	\$101	\$111	\$124	\$67	\$122	\$132	N/A	\$118	\$130	\$71
2330	Composite resin	\$90	\$99	\$74	\$90	\$97	\$52	\$96	\$104	N/A	\$95	\$99	\$56
2750	Porcelain w/ gold crown	\$698	\$705	\$583	\$719	\$772	\$459	\$720	\$733	N/A	\$700	\$713	\$464
2751	Porcelain w/ non-precious metal crown	\$650	\$678	\$525	\$682	\$730	\$418	\$682	\$700	N/A	\$672	\$690	\$397
2752	Porcelain w/ semiprecious metal crown	\$678	\$696	\$581	\$707	\$771	\$438	\$692	\$726	N/A	\$690	\$696	\$426
2790	Crown gold full case	\$687	\$702	\$577	\$689	\$707	\$456	\$725	\$733	N/A	\$698	\$710	\$437
3330	3 root canal therapy	\$682	\$698	\$527	\$664	\$703	\$404	\$735	\$735	N/A	\$682	\$698	\$445
4260	Osseous surgery per quadrant	\$696	\$785	\$613	\$731	\$788	\$465	\$710	\$760	N/A	\$639	\$710	\$422
4341	Periodontal scaling	\$180	\$196	\$125	\$174	\$189	\$99	\$195	\$198	N/A	\$185	\$198	\$84
6750	Fixed bridge / porcelain gold crown	\$696	\$700	\$554	\$719	\$772	\$432	\$709	\$726	N/A	\$699	\$709	\$464
6752	Fixed bridge / porcelain semiprecious crown	\$672	\$705	\$551	\$718	\$771	\$418	\$720	\$731	N/A	\$690	\$705	\$426
7240	Extraction, complete bony impaction	\$280	\$280	\$229	\$306	\$311	\$188	\$300	\$319	N/A	\$280	\$280	\$198
----	Orthodontic: Global rate for normal adolescent case *	\$5,670	\$5,940	\$5,500						N/A	\$4,303	\$4,610	\$4,303

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-C

DISRUPTION ANALYSIS (NETWORK COMPARISON OF 50 MOST UTILIZED DENTISTS)

Proposed Effective Date: January 1, 2007

	Last Name	City	ST	Zip	Claim Count	Payment	Delta Dental of MN				MetLife *		Mutual of Omaha			
							Premier Network		PPO Network		Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007
							Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007						
1	DAKOTA DENTAL	GRAND FORKS	ND	58201	394	\$43,618.50							X	X		
2	GROSS	BISMARCK	ND	58501	205	\$25,143.00	X	X								
3	O'CONNELL	GRAND FORKS	ND	58203	181	\$24,486.55							X	X		
4	BRIDGEFORD	GRAND FORKS	ND	58203	176	\$22,575.00							X	X		
5	AMUNDSON	GRAND FORKS	ND	58201	175	\$20,517.50										
6	MCDONALD	EAST GRAND FORKS	MN	56721	159	\$18,677.50										
7	NELSON	BISMARCK	ND	58503	156	\$22,586.92	X	X								
8	HERMAN	DEVILS LAKE	ND	58301	144	\$20,437.40										
9	ANDERSON	JAMESTOWN	ND	58401	144	\$20,254.50										
10	KAPLA	BISMARCK	ND	58501	142	\$18,207.70										
11	LAUF	MAYVILLE	ND	58257	141	\$18,064.20	X	X					X	X		
12	HERFENDAL	MINOT	ND	58703	138	\$19,610.20							X	X		
13	KING	BISMARCK	ND	58504	136	\$15,873.00	X	X								
14	VAN EREM	BISMARCK	ND	58503	129	\$16,998.30										
15	JOYCE	FARGO	ND	58102	129	\$16,205.90										
16	BREND	BISMARCK	ND	58501	128	\$18,286.40	X	X					X	X		
17	BJORK	BISMARCK	ND	58501	122	\$12,806.20	X	X								
18	MCDONALD	FARGO	ND	58103	121	\$15,089.10										
19	STADEM	EAST GRAND FORKS	MN	56721	120	\$15,744.30										
20	MOSHER	GRAND FORKS	ND	58201	120	\$13,522.60	X	X	X	X			X	X		
21	BADEN	GRAND FORKS	ND	58201	120	\$10,093.70	X	X					X	X		
22	SPIES	BISMARCK	ND	58504	119	\$19,358.90	X	X								
23	MCDUGALL	JAMESTOWN	ND	58401	117	\$12,197.10					X	X				
24	FREDRIKSON	FARGO	ND	58103	116	\$18,211.00										
25	KNUDSEN	BISMARCK	ND	58501	113	\$10,444.20	X	X								
26	MCDANIEL	JAMESTOWN	ND	58401	110	\$14,140.70										
27	GOEBEL	BISMARCK	ND	58501	110	\$9,305.00							X	X		
28	NUVEEN	GRAND FORKS	ND	58201	109	\$13,250.00										
29	PERSSON	BISMARCK	ND	58504	109	\$12,178.70										
30	KERN	GRAFTON	ND	58237	108	\$9,241.20	X	X	X	X	X	X	X	X		
31	SCHINDLER	BISMARCK	ND	58503	107	\$13,475.70										
32	SWANSON	GRAND FORKS	ND	58203	107	\$11,192.20	X	X					X	X		
33	OLSON	FARGO	ND	58102	105	\$10,305.60										
34	KENNER	DEVILS LAKE	ND	58301	104	\$17,051.60										

* MetLife. Geo Access Report indicates that 7,174 of census participants have access to at least 2 network providers within 20 miles of home zip code (e.g., 34.1% network access) Currently only 2 of the network dentists are on the NDPERS' "Top 50" list. If awarded the business, would be happy to work from the "Top 50" list to do additional targeted dental recruiting

DISRUPTION ANALYSIS (NETWORK COMPARISON OF 50 MOST UTILIZED DENTISTS)

Proposed Effective Date: January 1, 2007

	Last Name	City	ST	Zip	Claim Count	Payment	Delta Dental of MN				MetLife *		Mutual of Omaha			
							Premier Network		PPO Network		Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007
							Dentist currently in network	Dentist will be in network in 2007	Dentist currently in network	Dentist will be in network in 2007						
35	CONGDON	BISMARCK	ND	58504	104	\$14,505.40										
36	KELLY	GRAND FORKS	ND	58201	104	\$11,067.90	X	X				X	X			
37	LANCASTER	FARGO	ND	58104	104	\$9,164.80										
38	EVERGREEN DENT	FARGO	ND	58102	103	\$13,212.50	X	X								
39	HUNTER	FARGO	ND	58103	102	\$13,523.00										
40	PARR	GRAND FORKS	ND	58201	101	\$9,218.80	X	X				X	X			
41	HERINGER	BISMARCK	ND	58501	100	\$17,146.60										
42	SAUNDERS	FARGO	ND	58103	97	\$13,809.90										
43	DE BATES	FARGO	ND	58103	96	\$12,111.40	X	X								
44	CLAYBURGH	GRAND FORKS	ND	58201	95	\$12,871.98										
45	HIEB	BISMARCK	ND	58501	93	\$14,217.30	X	X				X	X			
46	PETERSON	FARGO	ND	58103	93	\$13,952.90	X	X								
47	TANABE	GRAND FORKS	ND	58201	92	\$10,359.20	X	X				X	X			
48	CARTWRIGHT	FARGO	ND	58103	91	\$13,947.00	X	X								
49	LAWSON	DEVILS LAKE	ND	58301	91	\$12,127.50										
50	GALSTAD	EAST GRAND FORKS	MN	56721	91	\$11,654.40	X	X	X	X						

* MetLife. Geo Access Report indicates that 7,174 of census participants have access to at least 2 network providers within 20 miles of home zip code (e.g., 34.1% network access)
 Currently only 2 of the network dentists are on the NDPERS' "Top 50" list. If awarded the business, would be happy to work from the "Top 50" list to do additional targeted dental recruiting

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Ameritas				Ameritas			
Plan Design 1 - Option 1a										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	56.00	20.00	36.00	20.00				
Two (2)	Adult prophylaxis	1110	110.00	0.00	110.00	0.00				
One (1)	Radiograph	272	27.00	0.00	27.00	0.00				
One (1)	2-Surface Amalgam	2150	95.00	50.00	36.00	59.00				
One (1)	Porcelain crown	2751	682.00	0.00	341.00	341.00				
	TOTAL		970.00	70.00	550.00	420.00				
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	224.00	80.00	144.00	80.00				
Four (4)	Adult prophylaxis	1110	220.00	0.00	220.00	0.00				
Four (4)	Child prophylaxis	1120	156.00	0.00	156.00	0.00				
Four (4)	Radiograph	272	108.00	0.00	108.00	0.00				
Two (2)	2-Surface Amalgam	2150	190.00	100.00	72.00	118.00				
Two (2)	Porcelain crown	2751	1,364.00	0.00	682.00	682.00				
	TOTAL		2,038.00	180.00	1,238.00	800.00				
Plan Design 1 - Option 1b										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	56.00	20.00	36.00	20.00				
Two (2)	Adult prophylaxis	1110	110.00	0.00	110.00	0.00				
One (1)	Radiograph	272	27.00	0.00	27.00	0.00				
One (1)	2-Surface Amalgam	2150	95.00	50.00	36.00	59.00				
One (1)	Porcelain crown	2751	682.00	0.00	341.00	341.00				
	TOTAL		970.00	70.00	550.00	420.00				
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	224.00	80.00	144.00	80.00				
Four (4)	Adult prophylaxis	1110	220.00	0.00	220.00	0.00				
Four (4)	Child prophylaxis	1120	156.00	0.00	156.00	0.00				
Four (4)	Radiograph	272	108.00	0.00	108.00	0.00				
Two (2)	2-Surface Amalgam	2150	190.00	100.00	72.00	118.00				
Two (2)	Porcelain crown	2751	1,364.00	0.00	682.00	682.00				
	TOTAL		2,038.00	180.00	1,238.00	800.00				

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Ameritas				Ameritas			
Plan Design 1 - Option 1c										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	56.00	20.00	36.00	20.00				
Two (2)	Adult prophylaxis	1110	110.00	0.00	110.00	0.00				
One (1)	Radiograph	272	27.00	0.00	27.00	0.00				
One (1)	2-Surface Amalgam	2150	95.00	50.00	36.00	59.00				
One (1)	Porcelain crown	2751	682.00	0.00	341.00	341.00				
	TOTAL		970.00	70.00	550.00	420.00				
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	224.00	80.00	144.00	80.00				
Four (4)	Adult prophylaxis	1110	220.00	0.00	220.00	0.00				
Four (4)	Child prophylaxis	1120	156.00	0.00	156.00	0.00				
Four (4)	Radiograph	272	108.00	0.00	108.00	0.00				
Two (2)	2-Surface Amalgam	2150	190.00	100.00	72.00	118.00				
Two (2)	Porcelain crown	2751	1,364.00	0.00	682.00	682.00				
	TOTAL		2,038.00	180.00	1,238.00	800.00				
Plan Design 1 - Option 1d										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	56.00	20.00	36.00	20.00				
Two (2)	Adult prophylaxis	1110	110.00	0.00	110.00	0.00				
One (1)	Radiograph	272	27.00	0.00	27.00	0.00				
One (1)	2-Surface Amalgam	2150	95.00	50.00	36.00	59.00				
One (1)	Porcelain crown	2751	682.00	0.00	341.00	341.00				
	TOTAL		970.00	70.00	550.00	420.00				
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	224.00	80.00	144.00	80.00				
Four (4)	Adult prophylaxis	1110	220.00	0.00	220.00	0.00				
Four (4)	Child prophylaxis	1120	156.00	0.00	156.00	0.00				
Four (4)	Radiograph	272	108.00	0.00	108.00	0.00				
Two (2)	2-Surface Amalgam	2150	190.00	100.00	72.00	118.00				
Two (2)	Porcelain crown	2751	1,364.00	0.00	682.00	682.00				
	TOTAL		2,038.00	180.00	1,238.00	800.00				

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Ameritas				Ameritas			
Plan Design 2 - Option 2a										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2							
Two (2)	Adult prophylaxis	1110								
One (1)	Radiograph	272								
One (1)	2-Surface Amalgam	2150								
One (1)	Porcelain crown	2751								
	TOTAL									
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2							
Four (4)	Adult prophylaxis	1110								
Four (4)	Child prophylaxis	1120								
Four (4)	Radiograph	272								
Two (2)	2-Surface Amalgam	2150								
Two (2)	Porcelain crown	2751								
	TOTAL									
Plan Design 2 - Option 2b										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A			
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2							
Two (2)	Adult prophylaxis	1110								
One (1)	Radiograph	272								
One (1)	2-Surface Amalgam	2150								
One (1)	Porcelain crown	2751								
	TOTAL									
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A			
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2							
Four (4)	Adult prophylaxis	1110								
Four (4)	Child prophylaxis	1120								
Four (4)	Radiograph	272								
Two (2)	2-Surface Amalgam	2150								
Two (2)	Porcelain crown	2751								
	TOTAL									

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Ameritas				Ameritas							
Plan Design 2 - Option 2c														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A							
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2											
Two (2)	Adult prophylaxis	1110												
One (1)	Radiograph	272												
One (1)	2-Surface Amalgam	2150												
One (1)	Porcelain crown	2751												
	TOTAL													
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	N/A							
Eight (8)	Oral exams	120												
Four (4)	Adult prophylaxis	1110												
Four (4)	Child prophylaxis	1120												
Four (4)	Radiograph	272												
Two (2)	2-Surface Amalgam	2150												
Two (2)	Porcelain crown	2751												
	TOTAL													
Plan Design 3			Plan "5"				Optional Low Plan				Incentive Plan - 1st Year Benefits			
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	56.00	0.00	56.00	0.00	56.00	0.00	44.80	11.20	56.00	0.00	56.00	0.00
Two (2)	Adult prophylaxis	1110	110.00	0.00	110.00	0.00	110.00	0.00	88.00	22.00	110.00	0.00	110.00	0.00
One (1)	Radiograph	272	27.00	0.00	27.00	0.00	27.00	0.00	21.60	5.40	27.00	0.00	27.00	0.00
One (1)	2-Surface Amalgam	2150	95.00	50.00	36.00	59.00	95.00	50.00	27.00	68.00	95.00	50.00	36.00	59.00
One (1)	Porcelain crown	2751	682.00	0.00	341.00	341.00	682.00	0.00	272.80	409.20	682.00	0.00	341.00	341.00
	TOTAL		970.00	50.00	570.00	400.00	970.00	50.00	454.20	515.80	970.00	50.00	570.00	400.00
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	224.00	0.00	224.00	0.00	224.00	0.00	179.20	44.80	224.00	0.00	224.00	0.00
Four (4)	Adult prophylaxis	1110	220.00	0.00	220.00	0.00	220.00	0.00	176.00	44.00	220.00	0.00	220.00	0.00
Four (4)	Child prophylaxis	1120	156.00	0.00	156.00	0.00	156.00	0.00	124.80	31.20	156.00	0.00	156.00	0.00
Four (4)	Radiograph	272	108.00	0.00	108.00	0.00	108.00	0.00	86.40	21.60	108.00	0.00	108.00	0.00
Two (2)	2-Surface Amalgam	2150	190.00	100.00	72.00	118.00	190.00	100.00	54.00	136.00	190.00	100.00	72.00	118.00
Two (2)	Porcelain crown	2751	1,364.00	0.00	682.00	682.00	1,364.00	0.00	545.60	818.40	1,364.00	0.00	682.00	682.00
	TOTAL		2,038.00	100.00	1,238.00	800.00	2,038.00	100.00	986.80	1,051.20	2,038.00	100.00	1,238.00	800.00

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services

Proposed Effective Date: January 1, 2007

Plan Design 1 - Option 1a			Cigna Dental			
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	N/A	60.00	0.00
Two (2)	Adult prophylaxis	1110	59.00	N/A	118.00	0.00
One (1)	Radiograph	272	28.00	N/A	28.00	0.00
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60
One (1)	Porcelain crown	2751	682.00	Already Met	341.00	341.00
	TOTAL		902.00	50.00	589.40	401.60
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	N/A	240.00	0.00
Four (4)	Adult prophylaxis	1110	59.00	N/A	236.00	0.00
Four (4)	Child prophylaxis	1120	40.00	N/A	160.00	0.00
Four (4)	Radiograph	272	28.00	N/A	112.00	0.00
Two (2)	2-Surface Amalgam	2150	103.00	50.00	124.80	81.20
Two (2)	Porcelain crown	2751	682.00	Already Met	682.00	682.00
	TOTAL		942.00			
Plan Design 1 - Option 1b						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	N/A	60.00	0.00
Two (2)	Adult prophylaxis	1110	59.00	N/A	118.00	0.00
One (1)	Radiograph	272	28.00	N/A	28.00	0.00
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60
One (1)	Porcelain crown	2751	682.00	Already Met	341.00	341.00
	TOTAL		902.00			
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	N/A	240.00	0.00
Four (4)	Adult prophylaxis	1110	59.00	N/A	236.00	0.00
Four (4)	Child prophylaxis	1120	40.00	N/A	160.00	0.00
Four (4)	Radiograph	272	28.00	N/A	112.00	0.00
Two (2)	2-Surface Amalgam	2150	103.00	50.00	124.80	81.20
Two (2)	Porcelain crown	2751	682.00	Already Met	682.00	682.00
	TOTAL		942.00			

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services

Proposed Effective Date: January 1, 2007

			Cigna Dental			
Plan Design 1 - Option 1c						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	N/A	60.00	0.00
Two (2)	Adult prophylaxis	1110	59.00	N/A	118.00	0.00
One (1)	Radiograph	272	28.00	N/A	28.00	0.00
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60
One (1)	Porcelain crown	2751	682.00	Already Met	341.00	341.00
TOTAL			902.00			
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	N/A	240.00	0.00
Four (4)	Adult prophylaxis	1110	59.00	N/A	236.00	0.00
Four (4)	Child prophylaxis	1120	40.00	N/A	160.00	0.00
Four (4)	Radiograph	272	28.00	N/A	112.00	0.00
Two (2)	2-Surface Amalgam	2150	103.00	50.00	124.80	81.20
Two (2)	Porcelain crown	2751	682.00	Already Met	682.00	682.00
TOTAL			942.00			
Plan Design 1 - Option 1d						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	N/A	60.00	0.00
Two (2)	Adult prophylaxis	1110	59.00	N/A	118.00	0.00
One (1)	Radiograph	272	28.00	N/A	28.00	0.00
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60
One (1)	Porcelain crown	2751	682.00	Already Met	341.00	341.00
TOTAL			902.00			
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	N/A	240.00	0.00
Four (4)	Adult prophylaxis	1110	59.00	N/A	236.00	0.00
Four (4)	Child prophylaxis	1120	40.00	N/A	160.00	0.00
Four (4)	Radiograph	272	28.00	N/A	112.00	0.00
Two (2)	2-Surface Amalgam	2150	103.00	50.00	124.80	81.20
Two (2)	Porcelain crown	2751	682.00	Already Met	682.00	682.00
TOTAL			942.00			

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services

Proposed Effective Date: January 1, 2007

			Cigna Dental			
Plan Design 2 - Option 2a						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110				
One (1)	Radiograph	272				
One (1)	2-Surface Amalgam	2150				
One (1)	Porcelain crown	2751				
	TOTAL					
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110				
Four (4)	Child prophylaxis	1120				
Four (4)	Radiograph	272				
Two (2)	2-Surface Amalgam	2150				
Two (2)	Porcelain crown	2751				
	TOTAL					
Plan Design 2 - Option 2b						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110				
One (1)	Radiograph	272				
One (1)	2-Surface Amalgam	2150				
One (1)	Porcelain crown	2751				
	TOTAL					
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110				
Four (4)	Child prophylaxis	1120				
Four (4)	Radiograph	272				
Two (2)	2-Surface Amalgam	2150				
Two (2)	Porcelain crown	2751				
	TOTAL					

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services

Proposed Effective Date: January 1, 2007

			Cigna Dental			
Plan Design 2 - Option 2c						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110				
One (1)	Radiograph	272				
One (1)	2-Surface Amalgam	2150				
One (1)	Porcelain crown	2751				
	TOTAL					
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110				
Four (4)	Child prophylaxis	1120				
Four (4)	Radiograph	272				
Two (2)	2-Surface Amalgam	2150				
Two (2)	Porcelain crown	2751				
	TOTAL					
Plan Design 3						
1. EE Only						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 3			
Two (2)	Adult prophylaxis	1110				
One (1)	Radiograph	272				
One (1)	2-Surface Amalgam	2150				
One (1)	Porcelain crown	2751				
	TOTAL					
2. Family of 4						
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 3			
Four (4)	Adult prophylaxis	1110				
Four (4)	Child prophylaxis	1120				
Four (4)	Radiograph	272				
Two (2)	2-Surface Amalgam	2150				
Two (2)	Porcelain crown	2751				
	TOTAL					

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Delta Dental of MN							
Plan Design 1 - Option 1a			Premier Network				PPO Network			
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	64.00	0.00	44.00	20.00	64.00	0.00	44.00	20.00
Two (2)	Adult prophylaxis	1110	124.00	0.00	124.00	0.00	124.00	0.00	124.00	0.00
One (1)	Radiograph	272	30.00	0.00	30.00	0.00	30.00	0.00	30.00	0.00
One (1)	2-Surface Amalgam	2150	111.00	0.00	88.80	22.20	111.00	0.00	88.80	22.20
One (1)	Porcelain crown	2751	700.00	50.00	325.00	325.00	700.00	50.00	325.00	325.00
	TOTAL		1,029.00	50.00	611.80	367.20	1,029.00	50.00	611.80	367.20
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	256.00	0.00	176.00	80.00	256.00	0.00	176.00	80.00
Four (4)	Adult prophylaxis	1110	248.00	0.00	248.00	0.00	248.00	0.00	248.00	0.00
Four (4)	Child prophylaxis	1120	168.00	0.00	168.00	0.00	168.00	0.00	168.00	0.00
Four (4)	Radiograph	272	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00
Two (2)	2-Surface Amalgam	2150	222.00	0.00	177.60	44.40	222.00	0.00	177.60	44.40
Two (2)	Porcelain crown	2751	1,400.00	100.00	650.00	650.00	1,400.00	100.00	650.00	650.00
	TOTAL		2,414.00	100.00	1,539.60	774.40	2,414.00	100.00	1,539.60	774.40
Plan Design 1 - Option 1b										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	64.00	0.00	44.00	20.00	64.00	0.00	44.00	20.00
Two (2)	Adult prophylaxis	1110	124.00	0.00	124.00	0.00	124.00	0.00	124.00	0.00
One (1)	Radiograph	272	30.00	0.00	30.00	0.00	30.00	0.00	30.00	0.00
One (1)	2-Surface Amalgam	2150	111.00	0.00	88.80	22.20	111.00	0.00	88.80	22.20
One (1)	Porcelain crown	2751	700.00	50.00	325.00	325.00	700.00	50.00	325.00	325.00
	TOTAL		1,029.00	50.00	611.80	367.20	1,029.00	50.00	611.80	367.20
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	256.00	0.00	176.00	80.00	256.00	0.00	176.00	80.00
Four (4)	Adult prophylaxis	1110	248.00	0.00	248.00	0.00	248.00	0.00	248.00	0.00
Four (4)	Child prophylaxis	1120	168.00	0.00	168.00	0.00	168.00	0.00	168.00	0.00
Four (4)	Radiograph	272	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00
Two (2)	2-Surface Amalgam	2150	222.00	0.00	177.60	44.40	222.00	0.00	177.60	44.40
Two (2)	Porcelain crown	2751	1,400.00	100.00	650.00	650.00	1,400.00	100.00	650.00	650.00
	TOTAL		2,414.00	100.00	1,539.60	774.40	2,414.00	100.00	1,539.60	774.40

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Delta Dental of MN							
Plan Design 1 - Option 1c										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	64.00	0.00	44.00	20.00	64.00	0.00	44.00	20.00
Two (2)	Adult prophylaxis	1110	124.00	0.00	124.00	0.00	124.00	0.00	124.00	0.00
One (1)	Radiograph	272	30.00	0.00	30.00	0.00	30.00	0.00	30.00	0.00
One (1)	2-Surface Amalgam	2150	111.00	0.00	88.80	22.20	111.00	0.00	88.80	22.20
One (1)	Porcelain crown	2751	700.00	50.00	325.00	325.00	700.00	50.00	325.00	325.00
	TOTAL		1,029.00	50.00	611.80	367.20	1,029.00	50.00	611.80	367.20
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	256.00	0.00	176.00	80.00	256.00	0.00	176.00	80.00
Four (4)	Adult prophylaxis	1110	248.00	0.00	248.00	0.00	248.00	0.00	248.00	0.00
Four (4)	Child prophylaxis	1120	168.00	0.00	168.00	0.00	168.00	0.00	168.00	0.00
Four (4)	Radiograph	272	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00
Two (2)	2-Surface Amalgam	2150	222.00	0.00	177.60	44.40	222.00	0.00	177.60	44.40
Two (2)	Porcelain crown	2751	1,400.00	100.00	650.00	650.00	1,400.00	100.00	650.00	650.00
	TOTAL		2,414.00	100.00	1,539.60	774.40	2,414.00	100.00	1,539.60	774.40
Plan Design 1 - Option 1d										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	64.00	0.00	44.00	20.00	64.00	0.00	44.00	20.00
Two (2)	Adult prophylaxis	1110	124.00	0.00	124.00	0.00	124.00	0.00	124.00	0.00
One (1)	Radiograph	272	30.00	0.00	30.00	0.00	30.00	0.00	30.00	0.00
One (1)	2-Surface Amalgam	2150	111.00	0.00	88.80	22.20	111.00	0.00	88.80	22.20
One (1)	Porcelain crown	2751	700.00	50.00	325.00	325.00	700.00	50.00	325.00	325.00
	TOTAL		1,029.00	50.00	611.80	367.20	1,029.00	50.00	611.80	367.20
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	256.00	0.00	176.00	80.00	256.00	0.00	176.00	80.00
Four (4)	Adult prophylaxis	1110	248.00	0.00	248.00	0.00	248.00	0.00	248.00	0.00
Four (4)	Child prophylaxis	1120	168.00	0.00	168.00	0.00	168.00	0.00	168.00	0.00
Four (4)	Radiograph	272	120.00	0.00	120.00	0.00	120.00	0.00	120.00	0.00
Two (2)	2-Surface Amalgam	2150	222.00	0.00	177.60	44.40	222.00	0.00	177.60	44.40
Two (2)	Porcelain crown	2751	1,400.00	100.00	650.00	650.00	1,400.00	100.00	650.00	650.00
	TOTAL		2,414.00	100.00	1,539.60	774.40	2,414.00	100.00	1,539.60	774.40

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Delta Dental of MN							
Plan Design 2 - Option 2a										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	59.40	0.00	59.40	0.00	52.40	0.00	52.40	0.00
Two (2)	Adult prophylaxis	1110	127.40	0.00	127.40	0.00	109.60	0.00	109.60	0.00
One (1)	Radiograph	272	28.20	0.00	28.20	0.00	24.10	0.00	24.10	0.00
One (1)	2-Surface Amalgam	2150	95.60	0.00	76.48	19.12	81.60	0.00	65.28	16.32
One (1)	Porcelain crown	2751	741.00	50.00	345.50	345.50	609.00	50.00	279.50	279.50
	TOTAL		1,051.60	50.00	636.98	364.62	876.70	50.00	530.88	295.82
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	237.60	0.00	237.60	0.00	209.60	0.00	209.60	0.00
Four (4)	Adult prophylaxis	1110	254.80	0.00	254.80	0.00	219.20	0.00	219.20	0.00
Four (4)	Child prophylaxis	1120	172.80	0.00	172.80	0.00	146.40	0.00	146.40	0.00
Four (4)	Radiograph	272	112.80	0.00	112.80	0.00	96.40	0.00	96.40	0.00
Two (2)	2-Surface Amalgam	2150	191.20	0.00	152.96	38.24	163.20	0.00	130.56	32.64
Two (2)	Porcelain crown	2751	1,482.00	100.00	691.00	691.00	1,218.00	100.00	559.00	559.00
	TOTAL		2,451.20	100.00	1,621.96	729.24	2,052.80	100.00	1,361.16	591.64
Plan Design 2 - Option 2b										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	59.40	0.00	59.40	0.00	52.40	0.00	52.40	0.00
Two (2)	Adult prophylaxis	1110	127.40	0.00	127.40	0.00	109.60	0.00	109.60	0.00
One (1)	Radiograph	272	28.20	0.00	28.20	0.00	24.10	0.00	24.10	0.00
One (1)	2-Surface Amalgam	2150	95.60	0.00	76.48	19.12	81.60	0.00	65.28	16.32
One (1)	Porcelain crown	2751	741.00	50.00	345.50	345.50	609.00	50.00	279.50	279.50
	TOTAL		1,051.60	50.00	636.98	364.62	876.70	50.00	530.88	295.82
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	237.60	0.00	237.60	0.00	209.60	0.00	209.60	0.00
Four (4)	Adult prophylaxis	1110	254.80	0.00	254.80	0.00	219.20	0.00	219.20	0.00
Four (4)	Child prophylaxis	1120	172.80	0.00	172.80	0.00	146.40	0.00	146.40	0.00
Four (4)	Radiograph	272	112.80	0.00	112.80	0.00	96.40	0.00	96.40	0.00
Two (2)	2-Surface Amalgam	2150	191.20	0.00	152.96	38.24	163.20	0.00	130.56	32.64
Two (2)	Porcelain crown	2751	1,482.00	100.00	691.00	691.00	1,218.00	100.00	559.00	559.00
	TOTAL		2,451.20	100.00	1,621.96	729.24	2,052.80	100.00	1,361.16	591.64

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Delta Dental of MN							
Plan Design 2 - Option 2c										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	59.40	0.00	59.40	0.00	52.40	0.00	52.40	0.00
Two (2)	Adult prophylaxis	1110	127.40	0.00	127.40	0.00	109.60	0.00	109.60	0.00
One (1)	Radiograph	272	28.20	0.00	28.20	0.00	24.10	0.00	24.10	0.00
One (1)	2-Surface Amalgam	2150	95.60	0.00	76.48	19.12	81.60	0.00	65.28	16.32
One (1)	Porcelain crown	2751	741.00	50.00	345.50	345.50	609.00	50.00	279.50	279.50
	TOTAL		1,051.60	50.00	636.98	364.62	876.70	50.00	530.88	295.82
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	237.60	0.00	237.60	0.00	209.60	0.00	209.60	0.00
Four (4)	Adult prophylaxis	1110	254.80	0.00	254.80	0.00	219.20	0.00	219.20	0.00
Four (4)	Child prophylaxis	1120	172.80	0.00	172.80	0.00	146.40	0.00	146.40	0.00
Four (4)	Radiograph	272	112.80	0.00	112.80	0.00	96.40	0.00	96.40	0.00
Two (2)	2-Surface Amalgam	2150	191.20	0.00	152.96	38.24	163.20	0.00	130.56	32.64
Two (2)	Porcelain crown	2751	1,482.00	100.00	691.00	691.00	1,218.00	100.00	559.00	559.00
	TOTAL		2,451.20	100.00	1,621.96	729.24	2,052.80	100.00	1,361.16	591.64
Plan Design 3										
1. EE Only										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	N/A				N/A			
Two (2)	Adult prophylaxis	1110	/				/			
One (1)	Radiograph	272								
One (1)	2-Surface Amalgam	2150								
One (1)	Porcelain crown	2751								
	TOTAL									
2. Family of 4										
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	/				/			
Four (4)	Adult prophylaxis	1110								
Four (4)	Child prophylaxis	1120								
Four (4)	Radiograph	272								
Two (2)	2-Surface Amalgam	2150								
Two (2)	Porcelain crown	2751								
	TOTAL									

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			MetLife				Mutual of Omaha							
Plan Design 1 - Option 1a														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	0.00	60.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	60.00	0.00	120.00	0.00								
One (1)	Radiograph	272	27.00	0.00	27.00	0.00								
One (1)	2-Surface Amalgam	2150	99.00	50.00	39.20	59.80								
One (1)	Porcelain crown	2751	661.00	50.00	305.50	355.50								
	TOTAL		877.00	100.00	551.70	415.30								
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	0.00	240.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	60.00	0.00	240.00	0.00								
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00								
Four (4)	Radiograph	272	27.00	0.00	108.00	0.00								
Two (2)	2-Surface Amalgam	2150	99.00	100.00	78.40	119.60								
Two (2)	Porcelain crown	2751	661.00	100.00	611.00	711.00								
	TOTAL		917.00	200.00	1,437.40	830.60								
Plan Design 1 - Option 1b														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	0.00	60.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	60.00	0.00	120.00	0.00								
One (1)	Radiograph	272	27.00	0.00	27.00	0.00								
One (1)	2-Surface Amalgam	2150	99.00	50.00	39.20	59.80								
One (1)	Porcelain crown	2751	661.00	50.00	305.50	355.50								
	TOTAL		877.00	100.00	551.70	415.30								
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	0.00	240.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	60.00	0.00	240.00	0.00								
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00								
Four (4)	Radiograph	272	27.00	0.00	108.00	0.00								
Two (2)	2-Surface Amalgam	2150	99.00	100.00	78.40	119.60								
Two (2)	Porcelain crown	2751	661.00	100.00	611.00	711.00								
	TOTAL		917.00	200.00	1,437.40	830.60								

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			MetLife				Mutual of Omaha							
Plan Design 1 - Option 1c														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	0.00	60.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	60.00	0.00	120.00	0.00								
One (1)	Radiograph	272	27.00	0.00	27.00	0.00								
One (1)	2-Surface Amalgam	2150	99.00	50.00	39.20	59.80								
One (1)	Porcelain crown	2751	661.00	50.00	305.50	355.50								
	TOTAL		877.00	100.00	551.70	415.30								
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	0.00	240.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	60.00	0.00	240.00	0.00								
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00								
Four (4)	Radiograph	272	27.00	0.00	108.00	0.00								
Two (2)	2-Surface Amalgam	2150	99.00	100.00	78.40	119.60								
Two (2)	Porcelain crown	2751	661.00	100.00	611.00	711.00								
	TOTAL		917.00	200.00	1,437.40	830.60								
Plan Design 1 - Option 1d														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	30.00	0.00	60.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	60.00	0.00	120.00	0.00								
One (1)	Radiograph	272	27.00	0.00	27.00	0.00								
One (1)	2-Surface Amalgam	2150	99.00	50.00	39.20	59.80								
One (1)	Porcelain crown	2751	661.00	50.00	305.50	355.50								
	TOTAL		877.00	100.00	551.70	415.30								
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	30.00	0.00	240.00	0.00	N/A				DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	60.00	0.00	240.00	0.00								
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00								
Four (4)	Radiograph	272	27.00	0.00	108.00	0.00								
Two (2)	2-Surface Amalgam	2150	99.00	100.00	78.40	119.60								
Two (2)	Porcelain crown	2751	661.00	100.00	611.00	711.00								
	TOTAL		917.00	200.00	1,437.40	830.60								

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			MetLife								Mutual of Omaha			
Plan Design 2 - Option 2a														
1. EE Only			In-Network				Out-of-Network							
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	23.00	0.00	46.00	0.00	30.00	0.00	48.00	12.00	46.00	0.00	46.00	0.00
Two (2)	Adult prophylaxis	1110	51.00	0.00	102.00	0.00	60.00	0.00	96.00	24.00	90.00	0.00	90.00	0.00
One (1)	Radiograph	272	21.00	0.00	21.00	0.00	27.00	0.00	21.60	5.40	22.00	0.00	22.00	0.00
One (1)	2-Surface Amalgam	2150	83.00	50.00	26.40	56.60	99.00	50.00	29.40	69.60	85.00	50.00	28.00	57.00
One (1)	Porcelain crown	2751	587.00	50.00	268.50	318.50	661.00	50.00	305.50	355.50	525.00	0.00	262.50	262.50
	TOTAL		765.00	100.00	463.90	375.10					768.00	50.00	448.50	319.50
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	23.00	0.00	184.00	0.00	30.00	0.00	192.00	48.00	184.00	0.00	184.00	0.00
Four (4)	Adult prophylaxis	1110	51.00	0.00	204.00	0.00	60.00	0.00	192.00	48.00	180.00	0.00	180.00	0.00
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00	40.00	0.00	128.00	32.00	132.00	0.00	132.00	0.00
Four (4)	Radiograph	272	21.00	0.00	84.00	0.00	27.00	0.00	86.40	21.60	88.00	0.00	88.00	0.00
Two (2)	2-Surface Amalgam	2150	83.00	100.00	52.80	113.20	99.00	100.00	58.80	139.20	170.00	88.00	65.60	104.40
Two (2)	Porcelain crown	2751	587.00	100.00	537.00	637.00	661.00	100.00	611.00	711.00	1,050.00	12.00	519.00	531.00
	TOTAL		805.00	200.00	1221.80	750.20					1,804.00	100.00	1,168.60	635.40
Plan Design 2 - Option 2b														
1. EE Only			In-Network				Out-of-Network							
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	23.00	0.00	46.00	0.00	30.00	0.00	48.00	12.00	46.00	0.00	46.00	0.00
Two (2)	Adult prophylaxis	1110	51.00	0.00	102.00	0.00	60.00	0.00	96.00	24.00	90.00	0.00	90.00	0.00
One (1)	Radiograph	272	21.00	0.00	21.00	0.00	27.00	0.00	21.60	5.40	22.00	0.00	22.00	0.00
One (1)	2-Surface Amalgam	2150	83.00	50.00	26.40	56.60	99.00	50.00	29.40	69.60	85.00	88.00	68.00	17.00
One (1)	Porcelain crown	2751	587.00	50.00	268.50	318.50	661.00	50.00	305.50	355.50	525.00	12.00	218.50	306.50
	TOTAL		765.00	100.00	463.90	375.10	877.00	100.00	500.50	466.50	768.00	100.00	444.50	323.50
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	23.00	0.00	184.00	0.00	30.00	0.00	192.00	48.00	184.00	0.00	184.00	0.00
Four (4)	Adult prophylaxis	1110	51.00	0.00	204.00	0.00	60.00	0.00	192.00	48.00	180.00	0.00	180.00	0.00
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00	40.00	0.00	128.00	32.00	132.00	0.00	132.00	0.00
Four (4)	Radiograph	272	21.00	0.00	84.00	0.00	27.00	0.00	86.40	21.60	88.00	0.00	88.00	0.00
Two (2)	2-Surface Amalgam	2150	83.00	100.00	52.80	113.20	99.00	100.00	58.80	139.20	170.00	88.00	65.60	104.40
Two (2)	Porcelain crown	2751	587.00	100.00	537.00	637.00	661.00	100.00	611.00	711.00	1,050.00	12.00	519.00	531.00
	TOTAL		805.00	200.00	1221.80	750.20	917.00	200.00	1268.20	999.80	1,804.00	100.00	1,168.60	635.40

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			MetLife								Mutual of Omaha			
Plan Design 2 - Option 2c			In-Network				Out-of-Network							
1. EE Only	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	23.00	0.00	46.00	0.00	30.00	0.00	48.00	12.00	46.00	0.00	46.00	0.00
Two (2)	Adult prophylaxis	1110	51.00	0.00	102.00	0.00	60.00	0.00	96.00	24.00	90.00	0.00	90.00	0.00
One (1)	Radiograph	272	21.00	0.00	21.00	0.00	27.00	0.00	21.60	5.40	22.00	0.00	22.00	0.00
One (1)	2-Surface Amalgam	2150	83.00	50.00	26.40	56.60	99.00	50.00	29.40	69.60	85.00	50.00	28.00	57.00
One (1)	Porcelain crown	2751	587.00	50.00	268.50	318.50	661.00	50.00	305.50	355.50	525.00	0.00	262.50	262.50
	TOTAL		765.00	100.00	463.90	375.10	877.00	100.00	500.50	466.50	768.00	50.00	448.50	319.50
2. Family of 4	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	23.00	0.00	184.00	0.00	30.00	0.00	192.00	48.00	184.00	0.00	184.00	0.00
Four (4)	Adult prophylaxis	1110	51.00	0.00	204.00	0.00	60.00	0.00	192.00	48.00	180.00	0.00	180.00	0.00
Four (4)	Child prophylaxis	1120	40.00	0.00	160.00	0.00	40.00	0.00	128.00	32.00	132.00	0.00	132.00	0.00
Four (4)	Radiograph	272	21.00	0.00	84.00	0.00	27.00	0.00	86.40	21.60	88.00	0.00	88.00	0.00
Two (2)	2-Surface Amalgam	2150	83.00	100.00	52.80	113.20	99.00	100.00	58.80	139.20	170.00	88.00	65.60	104.40
Two (2)	Porcelain crown	2751	587.00	100.00	537.00	637.00	661.00	100.00	611.00	711.00	1,050.00	12.00	519.00	531.00
	TOTAL		805.00	200.00	1221.80	750.20	917.00	200.00	1268.20	999.80	1,804.00	100.00	1,168.60	635.40
Plan Design 3														
1. EE Only	Service	ADA#	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 3				DID NOT QUOTE PLAN 3				DID NOT COMPLETE			
Two (2)	Adult prophylaxis	1110												
One (1)	Radiograph	272												
One (1)	2-Surface Amalgam	2150												
One (1)	Porcelain crown	2751												
	TOTAL													
2. Family of 4	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 3				DID NOT QUOTE PLAN 3				DID NOT COMPLETE			
Four (4)	Adult prophylaxis	1110												
Four (4)	Child prophylaxis	1120												
Four (4)	Radiograph	272												
Two (2)	2-Surface Amalgam	2150												
Two (2)	Porcelain crown	2751												
	TOTAL													

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Reliance Standard				UniCare				Unimerica			
Plan Design 1 - Option 1a														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	60.00	20.00	40.00	20.00	60.00	0.00	40.00	20.00	DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	114.00	-	114.00	-	118.00	0.00	118.00	0.00				
One (1)	Radiograph	272	29.00	-	29.00	-	28.00	0.00	28.00	0.00				
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60	103.00	50.00	42.40	60.60				
One (1)	Porcelain crown	2751	730.00	-	365.00	365.00	682.00	0.00	341.00	341.00				
	TOTAL		1,036.00	70.00	590.40	445.60	991.00	50.00	569.40	421.60				
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	240.00	80.00	160.00	80.00	240.00	0.00	160.00	80.00	DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	228.00	-	228.00	-	236.00	0.00	236.00	0.00				
Four (4)	Child prophylaxis	1120	164.00	-	164.00	-	160.00	0.00	160.00	0.00				
Four (4)	Radiograph	272	116.00	-	116.00	-	112.00	0.00	112.00	0.00				
Two (2)	2-Surface Amalgam	2150	206.00	100.00	84.80	121.20	206.00	100.00	84.80	121.20				
Two (2)	Porcelain crown	2751	1,460.00	-	730.00	730.00	1,364.00	0.00	682.00	682.00				
	TOTAL		2,414.00	180.00	1,482.80	931.20	2,318.00	100.00	1,434.80	883.20				
Plan Design 1 - Option 1b														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	60.00	20.00	40.00	20.00	60.00	0.00	40.00	20.00	DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	114.00	-	114.00	-	118.00	0.00	118.00	0.00				
One (1)	Radiograph	272	29.00	-	29.00	-	28.00	0.00	28.00	0.00				
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60	103.00	50.00	42.40	60.60				
One (1)	Porcelain crown	2751	730.00	-	365.00	365.00	682.00	0.00	341.00	341.00				
	TOTAL		1,036.00	70.00	590.40	445.60	991.00	50.00	569.40	421.60				
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	240.00	80.00	160.00	80.00	240.00	0.00	160.00	80.00	DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	228.00	-	228.00	-	236.00	0.00	236.00	0.00				
Four (4)	Child prophylaxis	1120	164.00	-	164.00	-	160.00	0.00	160.00	0.00				
Four (4)	Radiograph	272	116.00	-	116.00	-	112.00	0.00	112.00	0.00				
Two (2)	2-Surface Amalgam	2150	206.00	100.00	84.80	121.20	206.00	100.00	84.80	121.20				
Two (2)	Porcelain crown	2751	1,460.00	-	730.00	730.00	1,364.00	0.00	682.00	682.00				
	TOTAL		2,414.00	180.00	1,482.80	931.20	2,318.00	100.00	1,434.80	883.20				

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Reliance Standard				UniCare				Unimerica			
Plan Design 1 - Option 1c														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	60.00	20.00	40.00	20.00	60.00	0.00	40.00	20.00	DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	114.00	-	114.00	-	118.00	0.00	118.00	0.00				
One (1)	Radiograph	272	29.00	-	29.00	-	28.00	0.00	28.00	0.00				
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60	103.00	50.00	42.40	60.60				
One (1)	Porcelain crown	2751	730.00	-	365.00	365.00	682.00	0.00	341.00	341.00				
	TOTAL		1,036.00	70.00	590.40	445.60	991.00	50.00	569.40	421.60				
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	240.00	80.00	160.00	80.00	240.00	0.00	160.00	80.00	DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	228.00	-	228.00	-	236.00	0.00	236.00	0.00				
Four (4)	Child prophylaxis	1120	164.00	-	164.00	-	160.00	0.00	160.00	0.00				
Four (4)	Radiograph	272	116.00	-	116.00	-	112.00	0.00	112.00	0.00				
Two (2)	2-Surface Amalgam	2150	206.00	100.00	84.80	121.20	206.00	100.00	84.80	121.20				
Two (2)	Porcelain crown	2751	1,460.00	-	730.00	730.00	1,364.00	0.00	682.00	682.00				
	TOTAL		2,414.00	180.00	1,482.80	931.20	2,318.00	100.00	1,434.80	883.20				
Plan Design 1 - Option 1d														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	60.00	20.00	40.00	20.00	60.00	0.00	60.00	0.00	DID NOT QUOTE PLAN 1			
Two (2)	Adult prophylaxis	1110	114.00	-	114.00	-	118.00	0.00	118.00	0.00				
One (1)	Radiograph	272	29.00	-	29.00	-	28.00	0.00	28.00	0.00				
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60	103.00	50.00	42.20	60.60				
One (1)	Porcelain crown	2751	730.00	-	365.00	365.00	682.00	0.00	341.00	341.00				
	TOTAL		1,036.00	70.00	590.40	445.60	991.00	50.00	569.40	421.60				
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee (90th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee (80th percentile)	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	240.00	80.00	160.00	80.00	240.00	0.00	240.00	0.00	DID NOT QUOTE PLAN 1			
Four (4)	Adult prophylaxis	1110	228.00	-	228.00	-	236.00	0.00	236.00	0.00				
Four (4)	Child prophylaxis	1120	164.00	-	164.00	-	160.00	0.00	160.00	0.00				
Four (4)	Radiograph	272	116.00	-	116.00	-	112.00	0.00	112.00	0.00				
Two (2)	2-Surface Amalgam	2150	206.00	100.00	84.80	121.20	206.00	100.00	84.80	121.20				
Two (2)	Porcelain crown	2751	1,460.00	-	730.00	730.00	1,364.00	0.00	682.00	682.00				
	TOTAL		2,414.00	180.00	1,482.80	931.20	2,318.00	100.00	1,514.80	803.20				

Proposed Effective Date: January 1, 2007

			Reliance Standard				UniCare				Unimerica			
Plan Design 2 - Option 2a														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110												
One (1)	Radiograph	272												
One (1)	2-Surface Amalgam	2150												
One (1)	Porcelain crown	2751												
	TOTAL													
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110												
Four (4)	Child prophylaxis	1120												
Four (4)	Radiograph	272												
Two (2)	2-Surface Amalgam	2150												
Two (2)	Porcelain crown	2751												
	TOTAL													
Plan Design 2 - Option 2b														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110												
One (1)	Radiograph	272												
One (1)	2-Surface Amalgam	2150												
One (1)	Porcelain crown	2751												
	TOTAL													
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110												
Four (4)	Child prophylaxis	1120												
Four (4)	Radiograph	272												
Two (2)	2-Surface Amalgam	2150												
Two (2)	Porcelain crown	2751												
	TOTAL													

NORTH DAKOTA PUBLIC EMPLOYEE RETIREMENT SYSTEM (NDPERS)

SECTION V-D

SAMPLE DENTAL CLAIMS SCENARIOS (For Bismarck, ND [zip code 585]. Assumes all services are provided during the same calendar year.)

Proposed Effective Date: January 1, 2007

			Reliance Standard				UniCare				Unimerica			
Plan Design 2 - Option 2c														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Two (2)	Adult prophylaxis	1110												
One (1)	Radiograph	272												
One (1)	2-Surface Amalgam	2150												
One (1)	Porcelain crown	2751												
	TOTAL													
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays	Allowed Fee	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2				DID NOT QUOTE PLAN 2			
Four (4)	Adult prophylaxis	1110												
Four (4)	Child prophylaxis	1120												
Four (4)	Radiograph	272												
Two (2)	2-Surface Amalgam	2150												
Two (2)	Porcelain crown	2751												
	TOTAL													
Plan Design 3														
1. EE Only														
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(80th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(80th percentile)</i>	Deductible	Plan Pays	Participant Pays
Two (2)	Oral exams	120	60.00	20.00	40.00	20.00	60.00	0.00	48.00	12.00	58.00	0.00	58.00	0.00
Two (2)	Adult prophylaxis	1110	114.00	-	114.00	-	118.00	0.00	94.40	23.60	116.00	0.00	116.00	0.00
One (1)	Radiograph	272	29.00	-	29.00	-	28.00	0.00	22.40	5.60	28.00	0.00	28.00	0.00
One (1)	2-Surface Amalgam	2150	103.00	50.00	42.40	60.60	103.00	50.00	31.80	21.20	99.00	50.00	39.20	59.80
One (1)	Porcelain crown	2751	0.00	-	0.00	730.00	682.00	0.00	341.00	341.00	672.00	50.00	497.60	174.40
	TOTAL		306.00	70.00	225.40	810.60	991.00	50.00	537.60	403.40	973.00	100.00	738.80	234.20
2. Family of 4														
Annual Frequency	Service	ADA#	Allowed Fee <i>(90th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(80th percentile)</i>	Deductible	Plan Pays	Participant Pays	Allowed Fee <i>(80th percentile)</i>	Deductible	Plan Pays	Participant Pays
Eight (8)	Oral exams	120	240.00	80.00	160.00	80.00	240.00	0.00	192.00	48.00	232.00	0.00	232.00	0.00
Four (4)	Adult prophylaxis	1110	228.00	-	228.00	-	236.00	0.00	188.80	47.20	232.00	0.00	232.00	0.00
Four (4)	Child prophylaxis	1120	164.00	-	164.00	-	160.00	0.00	128.00	32.00	160.00	0.00	160.00	0.00
Four (4)	Radiograph	272	116.00	-	116.00	-	112.00	0.00	89.60	22.40	112.00	0.00	112.00	0.00
Two (2)	2-Surface Amalgam	2150	206.00	100.00	84.80	121.20	206.00	100.00	63.60	42.40	198.00	50.00	118.40	79.60
Two (2)	Porcelain crown	2751	1,460.00	-	0.00	1,460.00	1,364.00	0.00	682.00	682.00	1,344.00	50.00	1,035.20	308.80
	TOTAL		2,414.00	180.00	752.80	1,661.20	2,318.00	100.00	1,344.00	874.00	2,278.00	100.00	1,889.60	388.40

* UniCare also provided info based on 90th percentile.



**North Dakota
Public Employees Retirement System**
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Sparb Collins
Executive Director
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1-800-803-7377

FAX: (701) 328-3920 • EMAIL: NDPERS@state.nd.us • discovernd.com/NDPERS

Memorandum

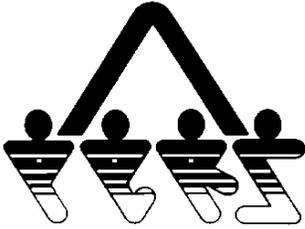
TO: PERS Board

FROM: Sparb

DATE: August 9, 2006

SUBJECT: BCBS Member Satisfaction Survey

Attached for your review is the BCBS member satisfaction survey. Representatives of BCBS will be at the Board meeting to review the results and answer your questions.



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Memorandum

TO: NDPERS Board

FROM: Wellness Benefit Committee
Arvy Smith
Larry Brooks
Kathy Allen

DATE: August 9, 2006

SUBJECT: Wellness Benefit Program

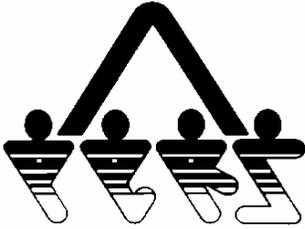
At the June meeting, the Board reviewed the proposed change to the reimbursement policy for the program. The Board determined that the policy required further clarification. Therefore, they requested the committee redraft the policy for review at a future meeting. The following is the restated policy:

- 100% of the first \$500 or \$1 times the number of health contracts, plus
- 75% of the next \$500 or \$1 times the number of health contracts

If program expenses are under \$500 or \$1 times the number of contracts based on the above calculations, only actual program expenses will be reimbursed. The Committee will use the calculation that provides the best benefit to the employer.

Board Action Requested

Approve proposed reimbursement schedule.



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Memorandum

TO: PERS Board
FROM: Sparb
DATE: August 9, 2006
SUBJECT: Segal Update

Segal Company recently informed me that they have decided to discontinue doing actuarial work at their Denver office. Leslie Thompson will remain at that office and will continue to be the lead actuary on the account but the work will now be done in the San Francisco office. Segal is offering the actuaries in the Denver office the opportunity to work in one of the other offices, but at the end of this year those not electing to move will be laid off. Segal's plan is to do this year's actuarial work in the Denver office and starting in January it will be done in SF.

I had a discussion with the President of Segal and their lead governmental director about the change. I expressed my concerns that this change could potentially affect the services provided to us. I noted that Segal was returning to a business model that was in effect when I first came to PERS in the late 80's. The model was changed in the early 90's to provide better client services and that we have been satisfied with this model and we were not as satisfied with the previous model. They indicated that with new technology the new procedure would be seamless and would produce the same level of service. I asked if they would be agreeable to setting some expanded performance criteria. They indicated they would. I developed the following attached suggested standards. They didn't agree with these and are now developing a counter set.

With the upcoming schedule of deliverables (actuarial report in Oct, legislative evaluation, etc.), I hope Segal will be able to handle the transition to the business model and continue to meet our needs. At this point we have no alternative except to work through this with them. However, after we get through the next session and before renewing with them again, we may want to review this change in more detail, and if warranted, consider going to another bid.

Segal Performance Criteria

Criteria	Fee Offset
Final actuarial reports need to be delivered by October 16	20% reduction in fixed fee if late
Preliminary data files needs to be reviewed in 5 business days of receipt by Segal	\$1,000 penalty if not completed
Actuarial data needs to be reconciled within 30 days of receipt	\$1,000 penalty if not completed
Errors in actuarial calculations	50% of fixed fee for the valuation or 50% of the cost of the project
Typographical errors or misstatement in actuarial reports	\$100 for each occurrence
QDRO's need to be turned around in 5 business days of receipt o receipt by Denver office	\$1,000 penalty if not completed
Priority legislative analysis needs to be turned around in 48 hours of receipt by Denver office	\$1,000 penalty if not completed
Non Priority needs to be turned around within timeframe set a start of project	\$1,000 penalty if not completed
Special benefit calculations with the timeframe set at the start of the project	\$1,000 penalty if not completed



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M E M O R A N D U M

TO: NDPERS BOARD
SPARB COLLINS, NDPERS
KATHY ALLEN, NDPERS

FROM: *BAR*
BRYAN T. REINHARDT

DATE: July 14, 2006

SUBJECT: GROUP MEDICAL PLAN - SURPLUS/AFFORDABILITY UPDATE

Here is the June surplus projection and affordability analysis for the NDPERS group medical plan. The plan made it through the 2003-2005 biennium and is half ways through 2005-2007.

Net premium sent to BCBS in July 2005 was \$10,853,370. For comparison, net premium sent to BCBS in June 2005 was \$9,821,731. The NDPERS health plan ended up with 23,580 contracts in June, 2005. There were 22,947 contracts in June, 2003, and 21,792 in July 2001. There are now 23,981 contracts.

The projection for the 2003 - 2005 biennium shows an ending balance of \$15.6 million. The amount we are targeting for the 2005-2007 buydown is \$14.3 million. BCBS has the IBNR amount at zero for this estimate. The cash settlement back to NDPERS should be around \$1.3 million. The \$14.3 million deposit date is July 1, 2006, after the first settlement.

The early projection for the 2005 - 2007 biennium shows a June 30, 2007 ending balance of only \$1.06 million. Note that this is a very early estimate and likely to change.

If you have any questions or you should need anymore information, please contact me.

- FlexComp Program
- Employee Health & Life Insurance
- Dental
- Vision

• Retirement Programs

- Public Employees
- Highway Patrol
- National Guard/Law Enforcement
- Judges
- Prior Service
- Job Service

- Retiree Health Insurance Credit
- Deferred Compensation Program
- Long Term Care Program

NDPERS - ESTIMATED SURPLUS PROJECTION: 2005-2007 BIENNIUM

June, 2006

The following exhibit summarizes the estimated surplus for the NDPERS group medical plan at the end of the 2005-2007 biennium. The estimate has been updated to include account activity through June, 2006.

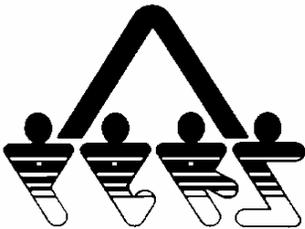
1) Preliminary Underwriting Gain for the 2005-2007 Biennium	(\$15,254,000)
2) Cash Balance Interest Accumulation	\$717,944
3) Estimated Underwriting Gain for the 2005-2007 Biennium	(\$14,536,056)
5) Refunds and Settlements	
07/05/05 Perform Rebate (Included as claim rebates)	\$418,453
10/04/05 Perform Rebate (Included as claim rebates)	\$425,316
12/01/05 Perform Rebate (Included as claim rebates)	\$8,716
01/01/06 Perform Rebate (Included as claim rebates)	\$350,907
03/01/06 Perform Rebate (Included as claim rebates)	\$15,236
04/01/06 Perform Rebate (Included as claim rebates)	\$384,639
07/01/06 Perform Rebate	\$400,000
10/01/06 Perform Rebate	\$400,000
01/01/07 Perform Rebate	\$400,000
04/01/07 Perform Rebate	\$400,000
EPO Settlement Payments 7/05 - 6/06 (Included as rebates & paid)	\$0
EPO Settlement Payments 7/06 - 6/07 (Included as rebates & paid)	\$0
6) Cash Reserve Account Balance	\$15,611,266
2003-2005 Settlement Cash Out:	(\$1,311,266)
Future Interest:	\$765,159
Total	\$15,065,158
7) Total Estimated Surplus Held by BCBS	\$2,129,102
8) BCBS Portion of Surplus (50% upto \$1,500,000)	\$1,064,551
9) PERS Portion of Surplus Held by BCBS	\$1,064,551
10) NDPERS Wellness Accounts	
My Health Connection	\$162,966
Employer Based Wellness	\$69,446
Wellness Benefit Program	\$14,491
SubTotal	\$246,904
Total Adjusted for Usage	\$0
11) Total Estimated Funds Available to PERS on June 30, 2007	\$1,064,551

NDPERS - Projected Underwritten Experience for the 2005-2007 Biennium

June, 2006

MONTH	NET PREMIUM COLLECTED	PREMIUM ADJUSTMENT	TOTAL PREMIUM INCOME	ADMIN EXPENSE \$26.98/CON	NET PREMIUM	CLAIMS INCURRED & PAID TO DATE	ESTIMATED IBNR CLAIMS	TOTAL INCURRED CLAIMS (1)	ESTIMATED GAIN / LOSS
Jul-05	\$11,491,070	(\$2,387)	\$11,488,683	\$637,699	\$10,850,984	\$10,902,244	\$0	\$10,902,244	(\$51,260)
Aug-05	\$11,486,984	\$0	\$11,486,984	\$635,676	\$10,851,308	\$10,756,667	\$0	\$10,756,667	\$94,641
Sep-05	\$11,592,130	\$0	\$11,592,130	\$641,396	\$10,950,735	\$9,656,881	\$0	\$9,656,881	\$1,293,854
Oct-05	\$11,564,639	(\$995)	\$11,563,644	\$640,748	\$10,922,896	\$9,814,523	\$0	\$9,814,523	\$1,108,373
Nov-05	\$11,565,139	\$1,417	\$11,566,556	\$640,478	\$10,926,078	\$11,076,245	\$104,000	\$11,180,245	(\$254,167)
Dec-05	\$11,575,731	(\$7,675)	\$11,568,055	\$640,829	\$10,927,226	\$11,699,830	\$159,000	\$11,858,830	(\$931,604)
Jan-06	\$11,053,969	\$332	\$11,054,300	\$644,606	\$10,409,694	\$9,801,682	\$258,000	\$10,059,682	\$350,012
Feb-06	\$11,053,628	\$0	\$11,053,628	\$645,308	\$10,408,320	\$9,887,195	\$564,000	\$10,451,195	(\$42,875)
Mar-06	\$11,049,994	(\$26,775)	\$11,023,218	\$645,146	\$10,378,073	\$10,967,625	\$785,000	\$11,752,625	(\$1,374,552)
Apr-06	\$11,066,004	(\$36,321)	\$11,029,683	\$645,820	\$10,383,862	\$9,628,179	\$1,399,000	\$11,027,179	(\$643,317)
May-06	\$11,064,390	\$0	\$11,064,390	\$646,198	\$10,418,192	\$9,000,245	\$2,980,000	\$11,980,245	(\$1,562,053)
Jun-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$3,090,413	\$8,251,000	\$11,341,413	(\$911,977)
Jul-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,040,325	(\$610,889)
Aug-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,116,059	(\$686,623)
Sep-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,191,793	(\$762,357)
Oct-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,267,527	(\$838,091)
Nov-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,343,261	(\$913,825)
Dec-06	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,418,995	(\$989,559)
Jan-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,494,729	(\$1,065,293)
Feb-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,570,463	(\$1,141,027)
Mar-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,646,196	(\$1,216,761)
Apr-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,721,930	(\$1,292,495)
May-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,797,664	(\$1,368,229)
Jun-07	\$11,076,821	\$0	\$11,076,821	\$647,385	\$10,429,436	\$0	\$0	\$11,873,398	(\$1,443,963)
BIENNIAL									
TOTAL	\$268,562,347	(\$72,405)	\$268,489,943	\$15,479,910	\$253,010,033	\$116,281,729	\$14,500,000	\$268,264,068	(\$15,254,035)

(1) Future Months are Estimated based on Projection from NDPERS.



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Memorandum

TO: NDPERS Board

FROM: Kathy

DATE: August 9, 2006

SUBJECT: Final Average Salary Indexing for Highway Patrol

North Dakota Century Code 39-03.1-11(5) provides:

"...The final average salary used for calculating a deferred vested retirement benefit must be increased annually from the later of the date of termination of employment or July 1, 1991, until the date the contributor begins to receive retirement benefits from the fund, at a rate as determined by the board not to exceed a rate that would be approximately equal to annual salary increases provided state employees pursuant to action by the legislative assembly."

As indicated above, it is necessary for the NDPERS Board to determine the rate to be used in establishing the index factor for deferred members of the highway patrol. It has been PERS policy to solicit input and a recommendation from the Highway Patrol leadership.

A four (4) percent annual salary increase was authorized by the Legislative Assembly. The North Dakota Highway Patrol leadership is recommending that deferred members in its system have their final average salary indexed by four percent. Included for your information is the Highway Patrol's recommendation.

For your convenience, listed below are the legislative increases granted, as well as the increase percentages set for indexing purposes by the Board since 1993 when it first became necessary to establish a factor.

	Legislative Increase %	Board Approved Index %
1993	3.00	3.57
1994	2.00	3.00
1995	2.00	2.00
1996	2.00+ 1.00 discretionary	2.00
1997	Average 3.00	3.00
1998	Average 3.00	1.80
1999	2.00 (min \$35)	1.26
2000	2.00 (min \$35)	2.00
2001	3.00 (min \$35)	1.81
2002	3.00 (min \$35)	1.73
2003	None authorized	-0-
2004	None authorized	-0-
2005	4.00	4.00

As illustrated above, with the exception of 1993, the Board has set a percentage that is the same or slightly lower than the salary increases granted to state employees.

Board Action Requested:

Accept or reject the Highway Patrol's recommendation.



North Dakota Highway Patrol



Colonel Bryan Klipfel, Superintendent
State Capitol, 600 E Boulevard Ave. Dept. 504
Bismarck, ND 58505-0240
Telephone: 701-328-2455

John Hoeven
Governor
State of North Dakota

July 18, 2006

COPY

Ms. Kathy Allen
North Dakota Public Employees Retirement System
400 E Broadway Avenue, Suite 505
Bismarck, ND 58502-1657

Dear Kathy:

We recommend that the members of the North Dakota Highway Patrol Retirement System who participated in the Deferred Vested Benefit provision should have their final average salary indexed by four percent.

Sincerely,

NEIL JOHNSON
Major, NDHP
Administrative Services Commander

nj/bc





**North Dakota
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Sparb Collins
Executive Director
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1-800-803-7377

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Memorandum

DATE: August 2006
TO: NDPERS Board
FROM: Sharmain
SUBJECT: Law Enforcement Retirement Plan

At its May 2005 meeting, the Board approved the following policy for transferring correctional officers to the law enforcement retirement plan.

1. Upon a group's initial enrollment in the Law Enforcement Plan, correctional officers not certified will remain in the Defined Benefit plan or current employer sponsored plan until such a time that they become certified. Once certified, the correctional officer will be given 30 days to either elect to join or waive participation in the Law Enforcement plan. If no election is made, the correctional officer will remain a member of the Defined Benefit or employer sponsored retirement plan.
2. All correctional officers hired after the date a group adopts the Law Enforcement retirement, upon completion of the certification, must be enrolled in the Law Enforcement plan.

Recently NDPERS was contacted by an agency that attempted to adhere to this policy. The problem this agency experienced was that their correctional officers missed the enrollment period due to the ND Department of Corrections processing time for issuing certifications. The Certificates of Achievement (Attachment #1) were effective May 31, 2006, however the documents did not reach the agency until July 6th, 2006. Attachment #2 is a letter from the agency that outlining the time period involved.

NDPERS staff recommends a change to the above-mentioned policy to increase the enrollment period from 30 days to 180 days to allow for additional time agencies may need to receive Certificates of Achievement from the ND Department of Corrections. Staff also recommends that an agency be allowed to back pay retirement contributions to the law enforcement plan from the date a correctional officer became certified.

Board Action Required

Approve staff recommendations.



L.R. Wechsler, Ltd.

North Dakota Public Employees Retirement System

Legacy Application System Review Project

Monthly Status Report – July 31, 2006

Activities and tasks accomplished this reporting period

- The Feasibility Report was finalized.
- The RFP Project Plan and Charter were finalized.
- NDPERS, ITD and LRWL participated in a conference call to discuss hardware and software cost estimates and budgeting
- Conducted an internal planning session for Phase IV
- Prepared workbooks for early phase tasks.
- Held the kick-off meeting Tuesday July 18.
- Worked with IT Steering Committee to assign staff resources to Workbook 1 – Procurement Information (WB1) and Workbook 2 – To Be Business Requirements (WB2).
- On Workbook 1 – Procurement Information
 - o Reviewed RFP template and other source material provided by ITD for Workbook 1 – Procurement Information.
 - o Met/spoke with Bryan Reinhardt, Dirk Huggett, Pat Forster regarding requirements of and modifications to WB1.
 - o Submitted preliminary draft on Friday 7/28 for review.
- On Workbook 2 – To-Be Business Requirements
 - o Name will be changed to “Desired To Be Functionality Checklist” and will be structured/tiered around “universal” requirements and the larger plan groups.
 - o Customized the workbook materials.
 - o Met with NDPERS and reviewed the following sections: Audit and Security, Disability and Appeals, Health Insurance, Multiple Service, Return to Work, Enrollment, Estimates and Death.
 - o Began making modifications to workbook section as necessary.
- On Workbook 3 – Additional New Functionality
 - o Name will be changed to “Desired To-Be Functionality – Narrative.”
- Reviewed the scope of the RFP with the IT Steering Committee.

Activities planned for the next month

- On Workbook 1 – Procurement Information
 - o Submit draft containing modifications from NDPERS’ initial review by Sparb, Deb and Bryan (submitted 8/1).
 - o Review and incorporate feedback into the draft and freeze for final consolidation.
- On Workbook 2 – To Be Business Requirements - Checklist

- Continue with scheduled workbook session review meetings.
- Submit updated workbooks to Deb for review and distribution to team.
- Develop the RFP Subsection and deliver to NDPERS to review.
- On Workbook 3 – Desired To Be Functionality – Narrative
 - Distribute “Desired To Be Functionality – Narrative Workbook”
 - Review workbook with NDPERS
 - Develop RFP Subsection
 - Deliver to NDPERS to review
 - Incorporate revisions
 - Workbook frozen until final consolidation
- On Workbook 4 – Technical Requirements
 - Update workbooks
 - Distribute Workbook
 - Gather source material for RFP section
 - Review workbook with NDPERS
 - Develop RFP subsection
 - Deliver to NDPERS to review
- On Workbook 6 – Mandatory Options
 - Update workbooks given new information
 - Distribute Options Workbook
 - Review workbook with NDPERS
- On Workbook 7 – Terms and Conditions
 - Request and Review any T&C standards from ITD
 - Update workbooks given new information
 - Distribute Terms and Conditions Workbook
 - Review workbook with NDPERS
 - Discuss External IP Attorney Participation
 - Develop RFP subsection
 - Deliver to NDPERS to review
- On Workbook 8 – Vendor Proposal Format
 - Update workbooks given new information
 - Distribute Vendor Proposal Workbook
 - Review workbook with NDPERS
- Attachments
 - Develop List of RFP Attachments
 - Review the use of the various attachments
 - Collect and Catalog Attachments
 - Assemble Attachments File and Folder Structure

Problems Encountered this Period

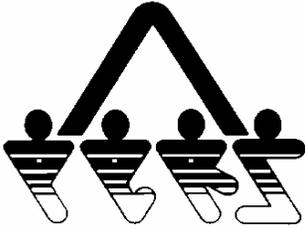
- None

Reconciliation of Progress

- None

Problems Anticipated Next Period

- None



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Memorandum

TO: NDPERS Board

FROM: Kathy

DATE: August 9, 2006

SUBJECT: NDPERS Personnel Policy Manual

We have made a revision to our Policy Manual as a result of a review of our current travel policy regarding reimbursement for personal telephone expenses. Section 20.1 under chapter 20 has been revised and a new section 20.7 has been added as follows:

20.1 If you are required to travel in state on official NDPERS or state business, you will be reimbursed for your meals, lodging, and personal telephone expenses in compliance with the Office of Management and Budget (OMB) Policy 505, 513, and 514 while you are away from your normal working and living residence. Your supervisor must approve all travel. You will be required to complete a Travel Expense Voucher (SFN 2029) to receive reimbursement. Receipts must be submitted for all related travel expenses.

20.7 You will be reimbursed for personal telephone calls made to your city of residence while in travel status, subject to the following provisions and limitations:

1. Reimbursement will be limited to \$10 per day. Allowance for calls not made on one day cannot be carried forward and used on another day. For example, if you did not make a call on Monday, you cannot claim \$20 for calls made on Tuesday.
2. A claim may only be made for those days in which an overnight stay is required.
3. A claim for this expense may not be made for "free minutes" used on a personal cellular phone.
4. In order to claim this expense, the charge must appear on the receipt submitted for lodging, or on a separate receipt.

The above recommendation was determined based on review of the current policies in effect by other state agencies with regard to personal telephone usage while traveling on state business.

Board Action Requested

Approve the revision to Section 20 of the NDPERS Personnel Policy Manual.



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Memorandum

TO: PERS Board

FROM: Sparb

DATE: August 9, 2006

SUBJECT: State Employee Compensation Commission (SECC)

Attached for your information are the minutes of the last SECC. As you will note I provided an update on the PERS programs to the committee. I will also be attending their next meeting to give an update on the health plan renewal.

STATE EMPLOYEES COMPENSATION COMMISSION

Monday, June 5, 2006 – 1:00 p.m.
Missouri River Room – State Capitol

Members present:

Pam Sharp, Chairman, Senator Ralph Kilzer, Senator Elroy Lindaas, Representative Lyle Hanson, Representative Ron Carlisle, Barbara Fischer (classified employee from the Department of Human Services), Julie Rostberg (classified employee of Job Service ND), Gary Feist (classified employee from the ND Tax Department), and Patricia Hanson (Director of Payroll from the University of North Dakota).

Others present:

Sparb Collins (PERS), Chris Keller (associate professor from Minot State University), Ken Purdy, Laurie Sterioti-Hammeren (HRMS), Wes Matthews (chair of Human Resources Council), Jodee Buhr (ND Public Employees Association).

Call to Order

Chair Pam Sharp called the meeting to order at 1 p.m. and began the meeting with introductions and roll call.

Pam distributed a list of all members on the Commission, along with a copy of the statutory duties of the Commission. The Commission needs to meet at least once during each fiscal year of the biennium, so this meeting is for fiscal year 06, and the Commission will meet again in either September or October prior to the budget being released, and that will be the meeting for fiscal year 07. Today's meeting is for informational purposes only, so there will be no motions taken until the meeting next fall.

A copy of the minutes from the meetings held June and September in 2004 were also given to each member. The recommendation presented to the Governor two years ago was for a 4% and 4% salary increase, and that health insurance continued to be paid for by the State. There was also a recommendation made for an equity increase. Employees did get the 4% and 4% and health insurance was covered. Representative Carlisle stated that some of the equity did pass for the Department of Corrections and Highway Patrol.

Health Insurance and Retirement Plan Issues

Sparb Collins from PERS distributed an overview of Retirement, Health Insurance, and other legislation for benefits by e-mail to the Commission members. All recommendations regarding these areas were submitted by April 1, 2006, according to statute.

The general news on the retirement plan is good news. The retirement plan has reached the stage where it is paying back into the state of North Dakota more than it is receiving in contributions every year, and that will continue to grow in terms of the amount of funds that are paid back to the state. Even so, last year's balance was \$1.2 billion; as of April 1 of 2006, that balance was \$1.6 billion. This balance illustrates the dynamics of investing and being in the marketplace. The vast majority of the funds paid through retirement come from investing, and not contributions. The plan still remains in a sound funded status, with an actuarial value of 91% funded and a market value of a little over 100% funded. The benefits continue at about 2% per year, which is equal to the benefits of comparable state plans.

Health insurance remains an issue across the country. Study resolutions were passed by the Legislature in 2003 and 2005 to look at health insurance and the whole system of compensation. The PERS health insurance plan covers about 23 – 24,000 contracts; that means about 54,000 insured by PERS. State employees make up about half of the plan. Membership continues to grow, but not at the rate it used to. Sparb gave some historical data on how health costs have risen at various rates during the last 15 years. 1.8% of total appropriations went to health insurance (higher ed not included) in 1991-93 biennium. Last biennium, about 2.16% total appropriations went to health insurance. There were increases in premium costs that continue to take a larger percentage of the total budget, but it has not been dramatic increases.

Sparb showed data from other states where health insurance is consuming a larger and larger portion of their budget much more dramatically. Comparing all 50 states, North Dakota is in the 10-20 percentile for premium costs. Comparing central states only, ND is the lowest.

In 2004-05, employees' out-of-pocket medical expenses for deductibles, co-pays, etc. were about 4.1% of their salary, compared to 2.8% in 1992-93. So employees truly are paying more out-of-pocket for their health insurance costs.

The premium for the State is currently \$578.46. Because of previous savings in the reserve option, PERS has been able to buy down \$24.52 on every premium, making the actual cost per premium for PERS to pay \$553.94. Last biennium, Prime Care Medical Group came on board with the EPO plan, so that expanded coverage in the state for state employees to belong to an EPO.

Plan Trend: Costs continue to rise with hospitals, pharmacy, and physicians. PERS is looking at a \$146/month premium increase. \$24 of that increase is because we will lose the of buy-down portion. Another 6% is the provider's increase in costs. This amounts to about a 26% increase in health premiums.

Demographics: Younger employees do not cost as much, older employees do. High dollar claims: 213 members = 21% of PERS costs. (213 members out of 54,000) There is a greater increase in the high dollar claims.

Utilization: Prescription costs seem to have capped out. Office calls and other services have had no big jumps. The number of office calls actually decreased from 2003 to 2004, but this was more than offset by the length of time for the office calls, resulting in higher charges.

Beginning this month, the PERS board is starting on the renewal. They will be sending the renewal estimates for BCBS the first part of July, with the results forwarded to OMB in mid-September. In the last two legislative sessions, PERS negotiated with BCBS to re-project premium costs in February, and during both sessions, the figures went down some. Scope of benefits (services that are covered) and plan design (co-pays, deductibles, etc.) will continue to be looked at before the renewal.

Strategies: This time PERS has wellness programs and disease management that are being implemented in the plan. The wellness program strategies are aimed at the 80% of the employees who only cost 19% of the costs. There are currently four agencies as pilots at a higher level of wellness programs. The disease management is allocated to the remaining 20% of employees who make up 81% of the costs. Disease management will address cancer, heart disease, and other chronic diseases.

PERS has several proposed bills submitted to the Legislative Council:

- a. #75 – Provides a 13th check to PERS retirees if return is 9.16% or greater
- b. #76 – Addresses technical compliance issues for PERS
- c. #80 – Changes provisions relating to employer contributions and increases for certain retirees' retirement payments
- d. #77 – Automatic enrollment of employees in deferred compensation (457 plan). Employees would have to elect out rather than elect in.
- e. #79 – Changes the required contribution and monthly credit relating to retiree health benefits fund
- f. #71 – Allows the Association of Counties to participate in PERS
- g. #78 – Group Insurance: Create a new trust pooling annual leave and sick leave to provide health benefits when they retire at a pre-tax rate. Also would increase life insurance benefits to \$5,000 instead of \$1,300. Temporary employees could join health insurance plan at employer's decision. Change prescription drug program for retirees.
- h. #52 – This bill is being modified by Rep. Carlson and will be changing substantially
- i. #62 – Allow public health districts to participate in PERS
- j. Other bills would open up PERS to more groups: bill #'s 30, 31, 32, and 100.

Higher Ed Compensation Issues

Chris Keller, an associate professor of biology at Minot State University, presented the Report of the State Board of Higher Education's Committee on Employee Compensation dated March 2006. Mr. Keller explained several charts and graphs regarding faculty and higher education staff turnover,

There was a big surge in staff turnover from 03-04 at 5.3% to 04-05 at 10.9%. The faculty that are leaving have relatively few years of experience. 55% of faculty and 59% of staff leave NDUS with less than 5 years experience. NDUS attracts younger faculty; they get their teaching experience at our schools, they recognize that their financial situation will be much better somewhere else, and they move on. But older faculty are much less transportable. A similar picture is for NDUS staff.

When comparing salaries and cost of living regionally, ND ranks 10 out of 12 states in faculty salaries weighted for cost of living. Staff are somewhat better off, and sometimes are higher than the regional average. The flagship schools (UND and NDSU) are able to pay their staff better when compared to market rates relative to the smaller 4-year and 2-year ND institutions.

Average faculty salaries by type of institution shows that, while gaining some ground in the last five years, ND's average doctoral salary continues to rise significantly behind the national average (NDSU and UND). Their average doctoral salary is \$55,000 compared to regional and national average of over \$70,000. Two-year schools lag significantly behind the regional and national averages. ND is last in the nation for 2-year schools.

The difference when comparing staff and faculty salaries to the regional and national averages is that faculty salaries need to be compared on a national level, whereas staff salaries should be compared regionally. ND ranked 49 out of 50 for average faculty salaries in 2003-04 for all college institutions. When comparing only 4-year institutions and only 2-year colleges, ND is last.

Board of Higher Education Recommendations:

1. *A total combined increase of at least 7.4 percent for faculty and staff is recommended for each year of the 2007-09 biennium. At a minimum, provide for salary adjustments based on the annual change in the consumer price index (CPI), allowing faculty and staff to maintain purchasing power; and, provide an additional market adjustment to assist the NDUS in closing the market gap.*
2. *The State continue to fund 100% of employee health insurance premiums with no changes to deductibles or co-payments.*
3. *The State increase the retirement plan contribution from 10 percent to 12.5 percent and employee contribution from 2 percent to 2.5 percent for employees with over 15 years of service.*

Cost of these recommendations: The 7.4% recommendation would cost \$72,161,856 total of the 2007-09 biennium. The Board felt that a better recommendation would be no more than \$63 million total increase in budget to keep in line that higher education should be funded at 21% of the estimated State's budget. The Board recommended a 5% increase.

Wes Matthews from Minot State wanted to stress not the numbers and percentages, but the approach. If we keep funding salaries to just make up the cost of living, it would cause the same numbers presented in the current report to be duplicated at every session. The approach needs to keep up with inflation and the cost of living, and start making moves to close the salary gap. It cannot all happen in one biennium. Chris closed with the question, if North Dakota continues to pay the lowest salaries in the nation, what kind of faculty will we attract? When universities serve as centers of innovation for communities and for states, how much innovation are you getting out of your universities when you do not have the best people, but the 49th-best faculty out there?

HRMS Report on Compensation Issues:

Ken Purdy gave a presentation on compensation for State employees. The handout contained several statistics on state employees.

Ken explained the methods HRMS uses in determining the classification system for state employees. The classification system is used in pricing comparable jobs, finding the market averages, salary ranges, and salary midpoints. Prior to the 2003-04 biennium, when the increase appropriations were zero, HRMS began to put the midpoints of state employee salary ranges at 95% of the market, which is pretty conservative. Grades 4 – 15 contain 95% of state employees, so charts were focused on those classifications.

Observations:

- HRMS would like midpoints to be 95% of market.
- Bulk of state employees have a significant lag between their average pay and the market salary.
- Most state employees are in the bottom half of their salary ranges.
- Our averages right now are lagging behind the market anywhere from 12% to 25%.
- Two years ago, our averages lagged 13% to 30% behind, so the 4% increase overall appears to have some positive effect.
- Grades 4 – 12 average state salaries are below the midpoints; average state salaries for grades 13 – 15 are actually above their midpoints.

Turnover: In the early to mid-90's, there was a higher rate of turnover; the lowest point in recent years was 7.7% in 2002. There has been a steady increase of turnover since 2002, up to a 9.2% turnover rate in 2005. (Beginning in 2003, HRMS was able to exclude inter-agency transfers from terminations with the State, so annual percentages from March 2003 and on will be lower because of that.) The trend for 2006, based upon first quarter's data, is about 10.5%, so turnover is continuing to climb.

Reasons for Turnover: other employment/personal reasons - 64%; retirements are 20%; involuntary terminations 11.6%; health reasons or no reason 4.4%. Custodial and Food Service employees have the highest turnover at 17.4%, followed by Medical/Health employees and Social Services. The largest turnover of employees occurs during the first year of employment (27%). This creates high training costs.

Ken pointed out that, even with ND's 100% health premiums, the employer's portion is still lower than other states at 76% of employer payment when comparing a 10-state region. The only other state that has 100% premium paid is Iowa for one of their plans. There are four states that actually contribute less than ND, but they pay less than 76% of the total premium.

Summary of Meetings with Human Resource Groups

1. *Critical is continuation of state funding of health insurance – the State's "ace in the hole" to attract and retain employees.*
2. *The significant lag of state employee pay from market pay needs to be addressed before a pay-for-performance system is implemented.*
 - a. *Agencies have performance measurement systems in place that could be utilized to recognize and reward performance if funding is available.*
 - b. *Agencies have available to them pay for performance tools through administrative rules in the form of performance increases and performance bonuses.*
 - c. *Agencies are dealing with poor performers through disciplinary measures, corrective action plans, and dismissal. Poor performers do not receive discretionary pay increases.*
3. *Pay range midpoints should be adjusted to 95% of market. This could be accomplished through transitional steps at the minimum of the ranges.*

Although the goal is to have midpoints at 95% of market and minimums at 75% of the midpoints, these situations would be very costly at this point. If HRMS moved their grade midpoints right now based on 95% of the market, we would end up with 763 employees below the new minimum, costing the State \$900,000 per year to bring those employees up to the new minimum. That does not include those employees who are just above that minimum with several years' experience, where new employees' salaries would bump up against their salaries, and those are the equity issues everyone has been talking about.

Ken brought up a possible solution, not a proposal, involving transitional steps over a period of time to get salaries to catch up. HRMS is looking at making the new minimum 70% of the midpoint rather than 75%. That additional range would buy the State some time and end up with only 184 employees below minimum, costing around \$200,000. The lower minimum would buy us some transition time, through a couple of biennia, to solve these problems.

The Committee had asked for some mechanisms to show possible distributions of salary increases. HRMS developed two models that agencies could use to determine salary increases per employee. Model 1 applies performance first as a percentage, then applies equity second as a flat \$ amount. Model 2 is just the reverse, applying equity first as a percentage, then applying performance second as a flat dollar amount. Agencies need to keep in mind that percentage increases favor the higher-paid employees, while flat dollar amounts help the lower-paid employees. The latter does not help the State with the market status with some of the higher level professional employees, however.

Discussion ensued on various topics after Ken's presentation. Representative Carlisle asked if there would be equity adjustments suggested beyond the 4% and 4%. Senator Lindaas asked Ken if HRMS had any figures of what it would cost to move all employees to 95% of the market, or midpoint. Ken replied that the figure is so far off, they have not calculated it. The 75% minimum and 125% maximum is a reasonable and appropriate range for starting salaries.

Financial Update in ND

The economy is doing really well in North Dakota. At the end of last biennium, we put \$99.5 million in the Budget Stabilization Fund, so that money is just sitting there and cannot be spent unless there is a revenue shortfall. At the end of April, we continue to run ahead of forecast. We are \$144 million ahead of forecast for the last 10 months. The biggest area where we are running really strong is sales tax, \$25 million ahead; individual income tax at \$36 million ahead; and \$65 million ahead in corporate income tax. Then there are oil prices so strong at \$60 per barrel. Statutorily, we can only deposit the first \$71 million in the general fund, and we reached that a couple of months ago. So now all the oil money is going to the Permanent Oil Tax Trust Fund.

In the last year, ND has seen really good wage growth and job growth, and that is reflected in our revenues. OMB is working on a revenue forecast to be finalized sometime early in July. Pam cautions that she cannot imagine revenues will continue at this rate. Along with more revenues, we have continuously more demands on the money as well.

Economy.com states that CPI will be 3% for 2006, 2.2 for 07, 2.1 for 08, and 2.3 for 09.

Scenarios of Compensation

Pam submitted estimates for the general fund cost for funding salary increases:

3% and 3%	\$16.5 million
3% and 4%	\$18 million
4% and 4%	\$22 million

If any members would like to see some other scenarios before the next meeting, please contact Pam.

Open Discussion

Representative Carlisle stated that some of the legislators are leaning towards the 3% and 4%, keeping the full medical premiums, and a \$5 million equity package. The equity packages do not include WSI, the Supreme Court or Higher Ed. Some of them are leaning towards the equity package mostly for DOCR, DOT, BCI agents, and tax dept. auditors. Representative Carlisle is drafting a bill for this, but at this point, he would rather not do it that way. He would rather see it come from the Governor's Budget (executive message). Since there are no motions until September, Rep. Carlisle just wanted to throw this out for discussion.

Senators Kilzer and Hanson brought up other demands on the general fund in the upcoming session, such as the FMAP for Medicaid and a bill for lowering property tax. They were concerned about funding everything.

Gary Feist stated that the biggest problem facing employees is the compression problem. Gary asked Ken what differences would \$5, \$6 or \$7 million do to help alleviate that problem. As we have an aging workforce, many employees are feeling that they are not going to stay. The health benefit is a good part of why employees stay, but, just like with Higher Ed, after people have been here a long time, it seems like the State takes advantage of those people, knowing that they are not going to leave. We are training in young people for six months, and they are already going on to the next place. The State has to realize that there are expenses involved in constantly training in new employees, so we need to find some type of equity money. Gary is not against moving the base pay up to attract quality people, but you cannot forget the people who have worked here 15 years and have to train someone in that makes more money than they do. We did not get the \$5 million equity that we asked for last session, so now it's to the point that we have only fallen further behind in the compression problem that we had.

Ken replied that moving lower-paid employees up to the minimum payline will only exacerbate that problem. That is where agencies must use their discretion and some of those models where there could be 2% across the board and 1% allowed for performance and equity. Ken said that HRMS can come up with some more possible scenarios for the next meeting on what effects some of these various strategies will create. Laurie Steriotti-Hammeren stated that we are not going to be able to fix this problem in one biennium. One biennium of 4% and 4% or one pool of \$5 million is not going to fix this problem. What we need to do is plan strategically to make some progress.

Pat Hanson stated that the Committee should be looking for a long-term plan. She agrees that we need to submit a plan that says this is how we are going to reach these midpoints, this is how we are not going to be ranked 49th out of 50 states. Just meeting the CPI each year is not going to do it for these employees. That means that we're hoping that we just stay even, we're hoping that all the other states are not even meeting the CPI. But if we go back to the employees and tell them that they are just going to receive cost of living increases, we are not going to retain quality people. The State is not going to have good years later on, when we will have to do less. Let's do more in the years when we can do something.

Gary said that we do need cost of living adjustments, but CPI plus 1% is a reasonable goal that we can be at so employees do not feel like they are falling behind. This Commission needs to worry about presenting a plan that we think employees need and that the governor should recommend, not worry about other external requests for money. State employees do not want to be treated last again. That is the biggest complaint that Gary hears, that state employees' salaries are the last thing to be considered. "If there's money leftover, you can have some." Employees want to be at the front of consideration, not at the back. At least once, we wish that that could happen.

Sen. Carlisle interjected that 4% and 4% is the biggest raise in 15 years. Gary agreed, but before that, with zero increases, in reality the 4% and 4% became 2%, 2%, 2% and 2%. Barb was interested in the statistic where HRMS eliminated the inter-agency transfers for terminations. She would like to know the percentages of current years for internal hires, because it might demonstrate that we went up to 15% turnover or something like that. Employees move from agency to agency simply to get a raise, and you still have all of the training issues and costs. Ken will try to add those figures back in for comparison.

Pam asked Laurie and Ken to put together some more scenarios of what different levels of equity funding would produce. There will be updates again on the health insurance and from Higher Ed. The next meeting will be towards the end of September or early October so there's enough time to get the recommendation to the Governor.

Meeting was adjourned at 3:45 p.m.



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Memorandum

TO: PERS Board

FROM: Sparb

DATE: August 9, 2006

SUBJECT: IFEBP & Other Activities

Pursuant to Board reporting procedures, this memo is to update you on other activities I am going to be involved with for the upcoming year. In July I was nominated and approved to serve as Chair of the Public Funds Board and to be a member of the Board of Directors of the International Foundation of Employee Benefits Plans for 2007. I am presently completing my term as vice chair and a member of the board.

In August I will complete my term as regional vice president of the National Association of State Retirement Administrators.

In August I will begin a term as President of the local Bismarck Rotary Club.

AGENDA

NORTH DAKOTA STATE INVESTMENT BOARD MEETING

FRIDAY, AUGUST 19, 2006, 8:30 AM
JOB SERVICE NORTH DAKOTA

I. CALL TO ORDER.

II. ROLL CALL.

III. MINUTES.

IV. BOARD EDUCATION.

- A. Fiscal Year 2005 Investment Review – Mr. Cochrane
- B. Market Neutral Large Cap Investment Strategy – Pension Trust – Mr. Kim Doggett, Mr. Mike Dunn, Franklin Portfolio Associates
- C. Enhanced Portfolio Approach, NDPERS Prefunded Health Fund - Mr. Toby Seggerman, Mr. Dan Farley, State Street Global Advisors
- D. Quantum Resource Fund & Energy Partners IV – Mr. Toby Neugebauer, Quantum

V. GOVERNANCE.

- A. Investments
 - 1. Work on Large Cap Domestic Equity – Pension Trust - Mr. Cochrane
 - 2. Work on NDPERS Prefunded Health Fund – Mr. Cochrane
 - 3. Work on Quantum – Mr. Cochrane
- B. Administration
 - 1. Manager Review Status Report (enclosed) - Mr. Cochrane

VI. MONITORING. (Questions only)

- 1. Quarterly Investment Report - Pension Trust - Mr. Erlendson, Callan Associates (enclosed).
- 2. Quarterly Investment Report - Insurance Trust - Mr. Erlendson, Callan Associates (enclosed).

VII. OTHER.

SIB meeting - September 22, 2006, 8:30 a.m. – Job Service ND Conference Room.

VIII. ADJOURNMENT.

**STATE INVESTMENT BOARD
MINUTES OF THE
JULY 21, 2006, BOARD MEETING**

BOARD MEMBERS PRESENT: Howard Sage, Vice Chair
Sandy Blunt, Workforce Safety & Insurance
Clarence Corneil, TFFR Board
Mike Gessner, TFFR Board
Ron Leingang, PERS Board
Gary Preszler, Land Commissioner
Rosey Sand, PERS Board
Mark Sanford, TFFR Board (via teleconference)
Kelly Schmidt, State Treasurer

MEMBERS ABSENT: Lt. Governor Jack Dalrymple, Chair
Jim Poolman, Insurance Commissioner

STAFF PRESENT: Steve Cochrane, Executive Director
Fay Kopp, Deputy Executive Director
Connie Flanagan, Fiscal & Investment Officer
Susan Gefroh, Investment Accountant
Bonnie Heit, Office Manager
Les Mason, Supervisor Internal Audit

OTHERS PRESENT: Weldee Baetsch, former SIB trustee
David Bessey, Prudential Financial
Bill Kalanek, AFPE/NDRTA
Neville Kenning, Hay Group (via teleconference)
Scott Miller, Attorney General's Office
Bryan Reinhardt, PERS
Peter Taggart, Prudential Financial

CALL TO ORDER:

Mr. Howard Sage, Vice Chair of the State Investment Board (SIB), called the meeting to order at 8:30 a.m. on Friday, July 21, 2006, at the State Capitol, Ft. Totten Room, Bismarck, ND.

THE FOLLOWING MEMBERS WERE PRESENT REPRESENTING A QUORUM: MR. BLUNT, MR. LEINGANG, MR. SAGE, TREASURER SCHMIDT, MR. CORNEIL, DR. SANFORD, MS. SAND, MR. GESSNER, AND COMMISSIONER PRESZLER.

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

MINUTES:

The Board considered the minutes of the June 16, 2006, meeting,

DR. SANFORD MOVED AND TREASURER SCHMIDT SECONDED TO APPROVE THE JUNE 16, 2006, MEETING MINUTES.

AYES: MR. BLUNT, COMMISSIONER PRESZLER, MR. GESSNER, MR. LEINGANG, MR. SAGE, MS. SAND, DR. SANFORD, MR. CORNEIL, AND TREASURER SCHMIDT
 NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

ELECTION OF OFFICERS:

Chair

DR. SANFORD MOVED AND TREASURER SCHMIDT SECONDED TO NOMINATE LT. GOVERNOR DALRYMPLE AS CHAIR OF THE SIB FOR THE PERIOD OF JULY 1, 2006 - JUNE 30, 2007.

TREASURER SCHMIDT MOVED AND MR. BLUNT SECONDED TO CEASE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR LT. GOVERNOR DALRYMPLE

AYES: MR. CORNEIL, MR. GESSNER, MS. SAND, MR. LEINGANG, MR. BLUNT, TREASURER SCHMIDT, COMMISSIONER PRESZLER, DR. SANFORD, AND MR. SAGE
 NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

Vice Chair

MR. BLUNT MOVED AND MR. LEINGANG SECONDED TO NOMINATE MR. SAGE AS VICE CHAIR OF THE SIB FOR THE PERIOD OF JULY 1, 2006 - JUNE 30, 2007.

TREASURER SCHMIDT MOVED AND MR. SANDY SECONDED TO CEASE NOMINATIONS AND CAST A UNANIMOUS BALLOT FOR MR. SAGE

AYES: MR. LEINGANG, MS. SAND, MR. CORNEIL, MR. GESSNER, DR. SANFORD, MR. SAGE, MR. BLUNT, COMMISSIONER PRESZLER, AND TREASURER SCHMIDT
 NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

Parliamentarian

Mr. Sage reappointed Mr. Clarence Corneil as parliamentarian for the period of July 1, 2006 - June 30, 2007.

SELECTION OF AUDIT COMMITTEE MEMBERS:

Mr. Cochrane, Executive Director, stated the current representatives for the SIB Audit Committee are Mr. Dave Sandy, delegated by Mr. Sandy Blunt, Executive Director/CEO, Workforce Safety & Insurance, representing elected and appointed officials; Mr. Ron Leingang, representing the Public Employees Retirement System (PERS); Mr. Mike Gessner (replaces Mrs. Barb Evanson who retired June 1, 2006), representing the Teachers' Fund for Retirement (TFFR); and external representatives Ms. Becky Dorwart and Mr. Lonny Mertz. The current

representatives have agreed to serve for the period of July 1, 2006 - June 30, 2007.

TREASURER SCHMIDT MOVED AND MR. CORNEIL SECONDED TO REAPPOINT THE CURRENT REPRESENTATIVES OF THE SIB AUDIT COMMITTEE.

AYES: MR. SAGE, TREASURER SCHMIDT, MR. CORNEIL, COMMISSIONER PRESZLER, DR. SANFORD, MS. SAND, MR. GESSNER, MR. LEINGANG, AND MR. BLUNT

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

BOARD EDUCATION:

Core Plus Fixed Income - Insurance Trust - Mr. David Bessey and Mr. Peter Taggart, Prudential Financial, reviewed Prudential's core-plus product for possible utilization in the Insurance Trust's portfolio.

A copy of their presentation is on file at the Retirement and Investment Office (RIO).

The Board recessed at 10:05 a.m. and reconvened at 10:20 a.m.

GOVERNANCE:

INVESTMENTS

Work on Fixed Income - Insurance Trust - Mr. Cochrane reviewed implementing Prudential Financial's core-plus product in the Insurance Trust's Lehman Aggregate-Benchmarked Fixed Income allocation. After discussion,

MR. BLUNT MOVED AND TREASURER SCHMIDT SECONDED TO ALLOCATE \$50 MILLION OF THE INSURANCE TRUST'S LEHMAN AGGREGATE-BENCHMARKED FIXED INCOME ASSETS FROM THE BANK OF ND TO PRUDENTIAL FINANCIAL'S CORE PLUS PRODUCT.

AYES: DR. SANFORD, MS. SAND, MR. LEINGANG, MR. CORNEIL, MR. GESSNER, MR. BLUNT, TREASURER SCHMIDT, MR. SAGE, COMMISSIONER PRESZLER

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

ADMINISTRATION

Legal Staff - Mr. Scott Miller, SIB Legal Counsel, announced he has accepted a position with the State of Montana PERS. He stated it has been a pleasure to work with such a knowledgeable and educated Board and thanked them for their support. The Board congratulated and thanked him for his professionalism and expertise and wished him well.

FY2007 Work Plan - Mr. Cochrane presented a revised FY2007 work plan for the Board's consideration.

DR. SANFORD MOVED AND MR. LEINGANG SECONDED TO ACCEPT THE REVISED WORKPLAN.

AYES: MR. GESSNER, COMMISSIONER PRESZLER, MR. LEINGANG, MR. BLUNT, TREASURER SCHMIDT, DR. SANFORD, MR. CORNEIL, MR. SAGE, AND MS. SAND
NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

Report on Estimated Returns - Mrs. Connie Flanagan, Fiscal and Investment Officer, presented estimated year-to-date returns through June 30, 2006, for the TFFR, PERS, Pension, Insurance, and Workers Compensation portfolios.

Hay Group Compensation Study - Members of the compensation committee Treasurer Schmidt, Chair, Mr. Leingang, and Dr. Sanford introduced Mr. Neville Kenning, National Director, State Government Consulting Practice, Hay Group, Los Angeles, CA. Mr. Neville reviewed the findings of the SIB's project objective which was to review the cash compensation of the Executive Director/Chief Investment Officer as compared to the relevant market. Mr. Neville recommended two options for the Board's consideration - \$140,000 annual salary with an incentive or \$160,000 - \$170,000 salary without an incentive. A copy of the Hay Group report is on file at the Retirement and Investment Office.

CEO/CIO Compensation Study - The Board discussed the findings of the report from the Hay Group and budget constraints. After discussion,

MR. BLUNT MOVED AND MS. SAND SECONDED TO SET MR. COCHRANE'S ANNUAL SALARY AT \$160,000 WITH NO INCENTIVES AND PAY \$132,000 NOW WHICH CAN BE PAID LEGITIMATELY OUT OF THE 2005-07 BUDGET. THE \$160,000 WOULD BE BUILT INTO THE 2007-09 BUDGET WITH AN ADDITIONAL AMOUNT FOR BACK PAY IF APPROVED BY THE LEGISLATURE.

Discussion followed and after discussion,

COMMISSIONER PRESZLER MOVED AND MR. CORNEIL SECONDED TO AMEND THE MOTION TO SET MR. COCHRANE'S ANNUAL SALARY AT THE BASE LEVEL OF \$132,000 BECAUSE THAT IS WHAT IS IN THE 2005-07 BUDGET AND TO SET AN AMOUNT OF \$160,000 FOR THE 2007-09 BUDGET. A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

AYES: MR. CORNEIL, COMMISSIONER PRESZLER, MR. SAGE
NAYS: MR. BLUNT, MR. LEINGANG, MR. GESSNER, MS. SAND, DR. SANFORD, TREASURER SCHMIDT

MOTION FAILED

ABESENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

DR. SANFORD MOVED AND MR. GESSNER SECONDED TO AMEND THE ORIGINAL MOTION AND PAY \$160,000 OUT OF THE 2005-07 BUDGET WHICH WOULD INVOLVE TAKING THE MONIES FROM THE CONTINGENCY FUND. A ROLL CALL VOTE WAS TAKEN AS FOLLOWS:

AYES: DR. SANFORD, TREASURER SCHMIDT, MR. BLUNT, MR. GESSNER,
NAYS: MR. SAGE, MS. SAND, MR. CORNEIL, COMMISSIONER PRESZLER, MR. LEINGANG

MOTION FAILED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

A ROLL CALL VOTE WAS THEN TAKEN ON THE ORIGINAL MOTION:

AYES: MS. SAND, MR. SAGE, MR. BLUNT, TREASURER SCHMIDT

NAYS: MR. CORNEIL, MR. GESSNER, DR. SANFORD, COMMISSIONER PRESZLER, MR. LEINGANG

MOTION FAILED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

MR. BLUNT MOVED AND DR. SANFORD SECONDED TO SET MR. COCHRANE'S ANNUAL SALARY AT \$160,000 EFFECTIVE JULY 1, 2006.

Discussion followed, after discussion:

COMMISSIONER PRESZLER MOVED AND MR. LEINGANG SECONDED TO AMEND THE MOTION TO SET MR. COCHRANE'S SALARY AT \$132,000 EFFECTIVE JULY 1, 2006 AND BUDGET FOR A SALARY OF \$160,000 EFFECTIVE JULY 1, 2007:

AYES: COMMISSIONER PRESZLER, MR. SAGE, MR. CORNEIL, MR. LEINGANG

NAYS: DR. SANFORD, MR. GESSNER, MS. SAND, MR. BLUNT, TREASURER SCHMIDT

MOTION FAILED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

A ROLL CALL VOTE WAS THEN TAKEN ON THE ORIGINAL MOTION, SETTING ANNUAL SALARY AT \$160,000 EFFECTIVE JULY 1, 2006:

AYES: MR. BLUNT, TREASURER SCHMIDT, DR. SANFORD, MR. GESSNER, MS. SAND

NAYS: COMMISSIONER PRESZLER, MR. LEINGANG, MR. CORNEIL, MR. SAGE

MOTION CARRIES

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

The Minot Saga - Mr. Cochrane informed the Board the City of Minot Pension Board, after completing their RFP process, had selected the SIB to manage their pension monies with assets of approximately \$50 million but the City Council requested they reconsider their options with the private sector instead.

MONITORING:

Included in the board member's packets were the following quarterly monitoring reports - Executive Limitations/Staff Relations, Budget/Financial Conditions, Investment, and Retirement.

DR. SANFORD MOVED AND MR. BLUNT SECONDED TO ACCEPT THE MONITORING REPORTS AS PRESENTED

AYES: MR. CORNEIL, MR. GESSNER, MS. SAND, MR. LEINGANG, MR. BLUNT, TREASURER SCHMIDT, COMMISSIONER PRESZLER, DR. SANFORD, MR. SAGE

NAYS: NONE

MOTION CARRIED

ABSENT: LT. GOVERNOR DALRYMPLE, COMMISSIONER POOLMAN

OTHER:

The Board requested Mr. Cochrane retain several copies of Bull's Eye Investing: Targeting Real Returns in a Smoke and Mirrors Market by John Mauldin for the Board's reference.

Mr. Cochrane informed the Board he has been studying an infrastructure investment opportunity. He would like to have Board members serve on an ad hoc committee and if anyone is interested they are to let him know. He is planning on having J.P. Morgan come in sometime before the September Board meeting to meet with the Committee to explain the process and procedures of the investment and answer any questions the Committee may have. He will let the board members know when a date has been set.

ADJOURNMENT:

The next SIB and SIB Audit Committee is scheduled for August 18, 2006 at Job Service ND, 1601 E. Century, Bismarck, ND 58503, at 8:30 a.m. and 1:00 p.m. respectively.

With no further business to come before the Board, MR. Sage adjourned the meeting at 12:40 p.m.

Respectfully Submitted:

Lt. Governor Dalrymple
Chair, State Investment Board

Bonnie Heit
Reporting Secretary



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Memorandum

TO: PERS Board

FROM: Review Committee

DATE: August 9, 2006

SUBJECT: Executive Director Review

The committee will review its findings and recommendations with the Board at the August meeting.