



August 5, 2014

REVISED

San Joaquin Valley Insurance Authority (SJVIA)
c/o Gallagher Benefit Services
45 East River Park Place West, Suite 408
Fresno, CA 93720

**RE: Contract renewal for San Joaquin Valley Insurance Authority (SJVIA)
Delta Dental PPOSM Group #'s 05879, 16128, 16452 & 16763
DeltaCare[®] USA Group # 76744 (See Appendix A)**

We appreciate your business and thank you for choosing Delta Dental of California. Your employees are among the millions nationwide who trust their smiles to Delta Dental.

We are pleased to present you with your dental plan contract renewal information. We are committed to providing you with quality plan designs combined with excellent customer service.

When reviewing your Delta Dental PPO plans, we considered cost factors related to San Joaquin Valley Insurance Authority's (SJVIA) dental service utilization and claims experience. Since there has been little or no change in one or both of these factors, we have determined that no increase in your current rate is necessary.

When reviewing your DeltaCare USA plans, we considered cost factors related to San Joaquin Valley Insurance Authority's (SJVIA) dental service utilization and claims experience. Because of increases in one or both of these factors, we have determined that an increase in your current rate is necessary. We have made every attempt to keep this increase as low as possible.

We have calculated your rates for your Delta Dental PPO plan based on the employer/employee contribution levels in your contract remaining the same. If the contribution levels and/or enrollment guidelines have changed or will change, you will need to notify us immediately, as such a change may affect your renewal rate.

Delta Dental of California
Headquarters:
100 First Street
San Francisco, CA 94105
Telephone: 415-972-8300

Southern California
Sales/Customer Service:
P.O. Box 3370
Cerritos, CA 90703
17871 Park Plaza Drive, Suite 200
Cerritos, CA 90703
Telephone: 562-403-4040

Commercial Programs
Claims Processing/
Customer Service:
P.O. Box 997330
Sacramento, CA 95899-7330

Offices in:
Cerritos, Fresno,
Rancho Cordova,
San Diego and
San Francisco

The following is the renewal information for your Delta Dental PPO plans:

<i>Effective Date</i>	<i>(varies by groups & divisions)</i>
<i>Contract term</i>	<i>One Year</i> <i>December 8, 2014 – December 6, 2015</i> <i>January 1, 2015 – December 31, 2015</i>
<i>% of Increase</i>	<i>0%</i>
<i>See the attached for rates and benefits</i>	

The following is the renewal information for your DeltaCare USA plan:

<i>Effective Date</i>	<i>(varies by divisions)</i>	
<i>Contract term</i>	<i>One Year</i> <i>December 8, 2014 – December 6, 2015</i> <i>January 1, 2015 – December 31, 2015</i>	
<i>% of Increase</i>	<i>4.33%</i>	
<i>Monthly – varies by division</i>		
	<i>Current Rates</i>	<i>Renewal Rates</i>
<i>Employee</i>	<i>\$22.77</i>	<i>\$23.76</i>
<i>Employee & Spouse</i>	<i>\$39.08</i>	<i>\$40.77</i>
<i>Employee & Child(ren)</i>	<i>\$39.35</i>	<i>\$41.05</i>
<i>Employee & Family</i>	<i>\$56.71</i>	<i>\$59.17</i>
<i>Biweekly – varies by division</i>		
	<i>Current Rates</i>	<i>Renewal Rates</i>
<i>Employee</i>	<i>\$10.51</i>	<i>\$10.97</i>
<i>Employee & Spouse</i>	<i>\$18.04</i>	<i>\$18.82</i>
<i>Employee & Child(ren)</i>	<i>\$18.16</i>	<i>\$18.95</i>
<i>Employee & Family</i>	<i>\$26.17</i>	<i>\$27.31</i>

Please keep this renewal letter with your contract documents. It serves as an amendment to your DeltaCare USA contract for the rates and contract term.

If you choose not to renew your contract, please notify Jerry Sauter at 916-861-2566 and advise us in writing on or before December 1, 2014.

To renew your dental plan contract, please follow these steps:

- 1) Review this letter for changes to your dental plan for January 2015.
- 2) Begin paying the rates outlined in this letter with your new contract term.
- 3) Inform your account manager of your intent to renew your plan contract.

Upon your renewal you will receive a formal amendment to your contract and an electronic copy of an updated Evidence of Coverage (EOC). If you would like to review an amendment prior to renewing your plan, please contact your account manager and an amendment will be provided.

If you have any questions about your renewal, your account manager will be happy to help. We appreciate your continued confidence in Delta Dental. We are proud of our association with you and look forward to a long and mutually successful relationship.

Sincerely,

DELTA DENTAL OF CALIFORNIA



Belinda Martinez
Senior Vice President
Sales/Marketing



Kevin Jackson
Group Vice President
Underwriting & Actuarial



Jerry Sauter
Account Manager, Account Services
916-861-2566
jsauter@delta.org

cc: Mark Tucker
LeRoy Tucker
Brittany Howell

Enclosure: Summary of Contract Amendments
Appendix A
Rates and Benefits

**Summary of Contract Amendments to
San Joaquin Valley Insurance Authority (SJVIA)
Delta Dental PPO Plan**

Dental policy changes. Effective upon renewal, we are updating your contract to reflect the following:

The American Dental Association (ADA) annually updates its standard dental procedure coding system, which is a component of its Code on Dental Procedures and Nomenclature (CDT Code) reference manual. When the ADA changes the codes, carriers must adopt the changes. Your contract renewal amendment includes a revised Appendix B with changes made to the CDT Code that are effective for 2014. Appendix B is a reference of CDT coding and nomenclature, which may or may not represent benefits under the terms of your contract. Changes made to comply with the CDT Code do not constitute a material change to your dental plan design.

OTHER INFORMATION

Delta Dental's retro-termination policy for enrollees. As a reminder, Delta Dental's policy is that enrollment may be adjusted retroactively to the immediately preceding three months plus the current month billed if no claims have been processed after the requested termination date for the enrollee.

Out-of-state provider reimbursement. As a reminder, Delta Dental's policy is to reimburse contracted dentists based on the network payment provisions for the geographic area in which the services are provided.

APPENDIX A

<u>GROUP #</u>	<u>GROUP NAME</u>
76744-0001	SJVIA – CO OF FRESNO ACTIVE
76744-0002	SJVIA – CO OF FRESNO RETIREE
76744-0003	SJVIA – CO OF FRESNO COBRA
76744-0005	SJVIA – CO OF FRESNO SURVIVOR
76744-0006	SJVIA – CO OF FRESNO FIRE DIST
76744-0007	SJVIA – CO OF FRESNO MOSQ DIST
76744-0008	SJVIA – CO OF FRESNO FMLA
76744-0009	SJVIA – CO OF FRESNO LAFCO
76744-1001	SJVIA – CO OF TULARE ACTIVE
76744-2002	SJVIA – CO OF TULARE COBRA
76744-3003	SJVIA – CO OF TULARE RETIREE
76744-4004	SJVIA – CO OF TULARE SPEC DIST

SAN JOAQUIN VALLEY INSURANCE AUTHORITY (SJVIA)
BENEFITS & RATES
DELTA DENTAL CLIENT #5879, 16128 & 16763

		Delta Dental PPO					
		County of Fresno Delta Dental Group #5879		County of Tulare Delta Dental Group #16128		City of Tulare Delta Dental Group #16763	
		PPO	Non-PPO	PPO	Non-PPO	PPO	Non-PPO
Copayments	<i>Diagnostic and Preventive</i>	100%	90/10	100%	100%	100%	100%
	<i>Basic</i>	90/10	90/10	80/20	80/20	80/20	80/20
	<i>Endodontics</i>	50/50	50/50	80/20	80/20	80/20	80/20
	<i>Periodontics</i>	50/50	50/50	80/20	80/20	80/20	80/20
	<i>Oral Surgery</i>	50/50	50/50	80/20	80/20	80/20	80/20
	<i>Crowns and Cast Restorations</i>	50/50	50/50	50/50	50/50	80/20	80/20
	<i>Prosthodontics</i>	50/50	50/50	50/50	50/50	80/20	80/20
	<i>Dental Accident</i>	NA	NA	100%	100%	NA	NA
	<i>Adult & Child Orthodontics</i>	*	*	50/50	50/50	80/20	80/20
Deductibles	<i>Per patient per calendar year</i>	\$50	\$50	NA	\$25	NA	NA
	<i>Per family per calendar year</i>	\$150	\$150	NA	\$75	NA	NA
	<i>D&P exempt from deductible?</i>	Yes	No	NA	Yes	NA	NA
Maximums	<i>Per patient per calendar year</i>	\$2,500	\$2,500	\$1,000	\$1,000	\$1,500	\$1,500
	<i>D&P exempt from calendar year maximum?</i>	Yes	Yes	No	No	No	No
	<i>Dental Accident per calendar year</i>	NA	NA	\$1,000	\$1,000	NA	NA
	<i>Orthodontic lifetime maximum</i>	*	*	\$1,500	\$1,500	\$1,000	\$1,000
Age Limitations	<i>Children (years of age)</i>	26	26	26	26	26	26

* County of Fresno Ortho plan pays 100% after the member's co-payment: Adult (age 20 and over) = \$1,880, Child (through age 19) = \$1,660. Maximum of 24 months of active orthodontic treatment. Ortho reimbursement is at the CA's 80th percentile for Non-PPO and Non-Delta Dentist Only.

CURRENT RATES (Effective 01/01/2014 to 12/31/2014)				
	<i>Enrollee Only</i>	\$52.45	\$36.95	Actives & Post 65 <i>Enrollee Only</i> \$60.53 <i>Enrollee & Family</i> \$133.00 Pre 65 <i>Enrollee Only</i> \$66.92 <i>Enrollee & Children</i> \$133.59 <i>Enrollee + Family</i> \$187.17
	<i>Enrollee + Spouse</i>	\$83.63	\$64.05	
	<i>Enrollee + Child(ren)</i>	\$72.87	\$72.58	
	<i>Enrollee + Family</i>	\$106.98	\$107.75	

RENEWAL RATES (Effective 01/01/2015 to 12/31/2015)				
	<i>Recommended Rate Action</i>		0.00%	Actives & Post 65 <i>Enrollee Only</i> \$60.53 <i>Enrollee & Family</i> \$133.00 Pre 65 <i>Enrollee Only</i> \$66.92 <i>Enrollee & Children</i> \$133.59 <i>Enrollee + Family</i> \$187.17
	<i>Enrollee Only</i>	\$52.45	\$36.95	
	<i>Enrollee + Spouse</i>	\$83.63	\$64.05	
	<i>Enrollee + Child(ren)</i>	\$72.87	\$72.58	
	<i>Enrollee + Family</i>	\$106.98	\$107.75	

County of Fresno divisions # 1, 3, 5, 6, 7 & 8 have contract effective dates 12/10/2013 - 12/07/2014 (current) and 12/08/2014 - 12/06/2015 (renewal).