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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public
▶ Information about Form 990 and its instructions is at *www IRS gov/form990*

OMB No 1545-0047

2017

Open to Public Inspection

A For the 2017 calendar year, or tax year beginning 01-01-2017 , and ending 12-31-2017

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return/terminated
☐ Amended return
☐ Application pending

C Name of organization
ARIZONA DENTAL INSURANCE SERVICE INC

Doing business as
DELTA DENTAL OF ARIZONA

Number and street (or P O box if mail is not delivered to street address) | Room/suite
5656 WEST TALAVI BLVD

City or town, state or province, country, and ZIP or foreign postal code
GLENDALE, AZ 85306

D Employer identification number
86-0274899

E Telephone number
(602) 588-3976

G Gross receipts $ 234,442,342

F Name and address of principal officer
MARK ANDERSON
5656 WEST TALAVI BLVD
GLENDALE, AZ 85306

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☑ 501(c) (4) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW DELTADENTALAZ COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1972

M State of legal domicile AZ

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE CORPORATION EXISTS TO IMPROVE LIVES BY PROMOTING OPTIMAL ORAL HEALTH

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	11
5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	**5**	110
6	Total number of volunteers (estimate if necessary)	**6**	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	38,828
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	5,506

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	0	0
9	Program service revenue (Part VIII, line 2g)	200,574,272	211,691,098
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,490,818	3,009,969
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	67,823	71,732
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	202,132,913	214,772,799
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	775,248	892,716
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	9,050,857	9,773,917
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	189,016,990	200,417,733
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	198,843,095	211,084,366
19	Revenue less expenses Subtract line 18 from line 12	3,289,818	3,688,433

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	95,349,963	105,072,262
21	Total liabilities (Part X, line 26)	18,323,478	21,179,537
22	Net assets or fund balances Subtract line 21 from line 20	77,026,485	83,892,725

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

****** 2018-11-12
Signature of officer Date

MARK ANDERSON CFO/VICE PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
DAVID LOWENTHAL	DAVID LOWENTHAL	2018-11-12		P00378651

Firm's name ▶ PLANTE & MORAN PLLC — Firm's EIN ▶ 38-1357951

Firm's address ▶ 10 S RIVERSIDE PLAZA 9TH FLOOR
CHICAGO, IL 60606 — Phone no (312) 207-1040

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . . ☑

1 Briefly describe the organization's mission

THE CORPORATION EXISTS TO IMPROVE LIVES BY PROMOTING OPTIMAL ORAL HEALTH

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 71,385,318 including grants of $) (Revenue $ 78,055,858)
See Additional Data

4b (Code) (Expenses $ 126,503,758 including grants of $) (Revenue $ 133,635,240)
See Additional Data

4c (Code) (Expenses $ 892,716 including grants of $ 892,716) (Revenue $)
See Additional Data

4d Other program services (Describe in Schedule O)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses ▶** 198,781,792

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		No
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* (see instructions)	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No

Part IV **Checklist of Required Schedules** *(continued)*

			Yes	No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	**20a**		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	**20b**		
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**		No
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	**1a**	13,412		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	**1c**		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	**2a**	110		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	**2b**		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	**3a**		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	**3b**		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . .	**4a**			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	**5a**			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	**5b**			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	**5c**			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	**6a**			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	**6b**			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	**7a**			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	**7b**			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	**7c**			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	**7e**			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	**7f**			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	**7g**			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	**7h**			
8	**Sponsoring organizations maintaining donor advised funds.** Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	**8**			
9a	Did the sponsoring organization make any taxable distributions under section 4966? . . .	**9a**			
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . .	**9b**			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	**11a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	**12a**			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	**13a**			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**			
c	Enter the amount of reserves on hand	**13c**			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	**14a**			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	**14b**			

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions*

Check if Schedule O contains a response or note to any line in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	13		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	11		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		9		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	Yes	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed▶ AZ

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, address, and telephone number of the person who possesses the organization's books and records ▶MARK ANDERSON 5656 WEST TALAVI BLVD GLENDALE, AZ 85306 (602) 938-3131

Part VII **Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII . . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) BRIEN HARVEY BOARD CHAIR	10 00 0 00	X		X				29,084	0	0
(2) CANDACE WIEST VICE CHAIR	3 00 0 00	X		X				22,434	0	0
(3) GARY JONES SECRETARY/TREASURER	3 00 0 00	X		X				24,000	0	0
(4) DONALD BAKER BOARD MEMBER	3 00 0 00	X						24,000	0	0
(5) WILLFORD CARDON BOARD MEMBER	3 00 0 00	X						24,000	0	0
(6) DAVID DAY BOARD MEMBER	3 00 0 00	X						21,486	0	0
(7) DALE HALLBERG BOARD MEMBER	3 00 0 00	X						24,000	0	0
(8) ALVIN MATTHEWS BOARD MEMBER	3 00 0 00	X						24,000	0	0
(9) FREDERICK OLSEN BOARD MEMBER	3 00 0 00	X						24,000	0	0
(10) WILLIAM PUTNAM BOARD MEMBER	3 00 0 00	X						26,667	0	0
(11) JOYCE ROSENTHAL BOARD MEMBER	3 00 0 00	X						24,000	0	0
(12) PHILLIP SANTUCCI BOARD MEMBER	3 00 0 00	X						8,000	0	0
(13) BRUCE SPIGNER BOARD MEMBER	3 00 0 00	X						24,000	0	0
(14) ALLAN ALLFORD PRESIDENT/CEO	40 00 0 00			X				851,699	0	155,664
(15) MARK ANDERSON VICE PRESIDENT/CFO	40 00 0 00			X				423,144	0	90,862
(16) CRAIG LIVESAY VICE PRESIDENT	40 00 0 00			X				401,750	0	84,235
(17) SANDRA ERNST PEREZ VICE PRESIDENT	40 00 0 00			X				247,435	0	64,722

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) BRAD CLOTHIER VICE PRESIDENT	40 00 0 00			X				386,117	0	11,619
(19) SCOTT PEDERSON VICE PRESIDENT	40 00 0 00			X				185,630	0	15,577
(20) ASHLEE DAILEY CONTROLLER/DIR OF FINANCE	40 00 0 00					X		157,063	0	14,375
(21) JEFF NEWBILL SENIOR DATABASE ADMIN	40 00 0 00					X		139,658	0	11,437
(22) JOHN BRULEY DIRECTOR OF IT	40 00 0 00					X		147,553	0	21,132
(23) ERIK SKARTVEIT DIRECTOR OF UNDERWRITING	40 00 0 00					X		137,896	0	19,654
(24) KATHY MORROW DIRECTOR OF PROFESSIONAL RELATIONS	40 00 0 00					X		131,499	0	11,813
1b Sub-Total ▶										
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								3,509,115	0	501,090

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 11

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
DELTA DENTAL OF CA 100 FIRST STREET SAN FRANCISCO, CA 94105	SYSTEM IMPLEMENTATION SERVICES	1,612,500
ENCARA INC 4818 STARKLEY RD ROANOKE, VA 24018	ADMINISTERS PRODUCTS	1,016,937
DELTA DENTAL OF WI PO BOX 828 STEVENS POINT, WI 54481	CLAIMS PROCESSING SERVICES	860,691
CHANGE HEALTHCARE PO BOX 572490 SALT LAKE CITY, UT 84157	FULFILLMENT PAYMENTS	688,198
WYSSTA SERVICES INC PO BOX 86 STEVENS POINT, WI 54481	ADMINISTRATIVE SERVICES	388,530

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 9

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . . ☐

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns . .	1a			
	b Membership dues . .	1b			
	c Fundraising events . .	1c			
	d Related organizations	1d			
	e Government grants (contributions)	1e			
	f All other contributions, gifts, grants, and similar amounts not included above	1f			
	g Noncash contributions included in lines 1a-1f $ _____				
	h **Total.** Add lines 1a-1f . . . . . ▶				

Program Service Revenue	Business Code				
2a REV - SELF INSUR GROUP	524114	125,574,985	125,574,985		
b DENTAL PREMIUMS	524114	78,055,858	78,055,858		
c COST REIMBURSEMENT	524292	8,060,255	8,060,255		
d					
e					
f All other program service revenue					
g **Total.** Add lines 2a–2f . . . . ▶		211,691,098			

Other Revenue					
3 Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		1,386,987			1,386,987
4 Income from investment of tax-exempt bond proceeds ▶					
5 Royalties . . . . . ▶					
	(i) Real	(ii) Personal			
6a Gross rents					
b Less rental expenses					
c Rental income or (loss)					
d Net rental income or (loss) . . . . . ▶					
	(i) Securities	(ii) Other			
7a Gross amount from sales of assets other than inventory	21,292,525				
b Less cost or other basis and sales expenses	19,669,543				
c Gain or (loss)	1,622,982				
d Net gain or (loss) . . . . . ▶			1,622,982		1,622,982
8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . a					
b Less direct expenses . . . b					
c Net income or (loss) from fundraising events . . ▶					
9a Gross income from gaming activities See Part IV, line 19 . . . a					
b Less direct expenses . . . b					
c Net income or (loss) from gaming activities . . ▶					
10a Gross sales of inventory, less returns and allowances . . a					
b Less cost of goods sold . . b					
c Net income or (loss) from sales of inventory . . ▶					
Miscellaneous Revenue	Business Code				
11a OTHER INCOME	900099	71,732		38,828	32,904
b					
c					
d All other revenue					
e **Total.** Add lines 11a–11d . . . . . ▶		71,732			
12 Total revenue. See Instructions . . . . . ▶		214,772,799	211,691,098	38,828	3,042,873

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraisingexpenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	892,716	892,716		
2 Grants and other assistance to domestic individuals See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,218,123	1,609,062	1,609,061	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	4,949,401		4,949,401	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	226,913		226,913	
9 Other employee benefits	903,522		903,522	
10 Payroll taxes	475,958		475,958	
11 Fees for services (non-employees)				
a Management	8,060,255	8,060,255		
b Legal	108,395		108,395	
c Accounting	157,237		157,237	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	272,349	272,349		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	9,524,935	9,460,256	64,679	
12 Advertising and promotion	1,183,887		1,183,887	
13 Office expenses	74,764		74,764	
14 Information technology	141,409		141,409	
15 Royalties				
16 Occupancy	272,367		272,367	
17 Travel	181,009		181,009	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	3,445		3,445	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	689,611		689,611	
23 Insurance	120,033		120,033	
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a SERVICE TO SELF INSURED	118,443,503	118,443,503		
b PROFESSIONAL DENTAL SVS	57,381,212	57,381,212		
c PREMIUM TAX	1,151,885	1,151,885		
d BANK CHARGES	303,170	303,170		
e All other expenses	2,348,267	1,207,384	1,140,883	
25 **Total functional expenses.** Add lines 1 through 24e	211,084,366	198,781,792	12,302,574	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part IX . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing			1	
	2	Savings and temporary cash investments		11,689,447	2	16,594,516
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		17,498,957	4	17,178,223
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		669,463	9	442,371
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 14,172,576			
	b	Less accumulated depreciation	10b 6,965,570	7,580,082	10c	7,207,006
	11	Investments—publicly traded securities		43,815,387	11	48,476,368
	12	Investments—other securities See Part IV, line 11		12,993,025	12	13,884,932
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,103,602	15	1,288,846
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		95,349,963	16	105,072,262
Liabilities	17	Accounts payable and accrued expenses		14,690,300	17	17,343,771
	18	Grants payable			18	
	19	Deferred revenue		2,373,038	19	2,426,682
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		20,389	23	57,766
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		1,239,751	25	1,351,318
	26	**Total liabilities.** Add lines 17 through 25		18,323,478	26	21,179,537
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		77,026,485	27	83,892,725
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		77,026,485	33	83,892,725
	34	Total liabilities and net assets/fund balances		95,349,963	34	105,072,262

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	214,772,799
2	Total expenses (must equal Part IX, column (A), line 25)	2	211,084,366
3	Revenue less expenses Subtract line 2 from line 1	3	3,688,433
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	77,026,485
5	Net unrealized gains (losses) on investments	5	3,238,758
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-60,951
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	83,892,725

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Additional Data

Software ID:

Software Version:

EIN: 86-0274899

Name: ARIZONA DENTAL INSURANCE SERVICE INC

Form 990, Part III, Line 4a:

THE ORGANIZATION PROVIDED DENTAL BENEFIT COVERAGE FOR 274,071 BENEFICIARIES INCLUDED AMONG THESE BENEFICIARIES WERE I) 19,308 INDIVIDUAL ENROLLEES, MANY OF WHOM ARE HIGH-RISK INDIVIDUALS WHO MAY NOT OTHERWISE RECEIVE ACCESS TO AFFORDABLE DENTAL BENEFIT COVERAGE THESE INDIVIDUALS OBTAINED COVERAGE AS A RESULT OF THE ORGANIZATION'S COLLABORATION WITH CHARITABLE AND GOVERNMENTAL ORGANIZATIONS, II) 53,128 ENROLLEES WHO ARE OR WERE EMPLOYED WITH THE STATE OF ARIZONA, AND III) 117 ENROLLEES WHO WERE ABLE TO OBTAIN COVERAGE THROUGH THE ORGANIZATION'S COLLABORATION WITH ARIZONA SMALL BUSINESS ASSOCIATION THESE INDIVIDUALS MAY OTHERWISE HAVE BEEN UNABLE TO OBTAIN AFFORDABLE COVERAGE DUE TO THE SIZE OF THE SMALL BUSINESS THE ORGANIZATION EXPENDED MORE THAN $175 MILLION FOR DENTAL CARE DURING 2017, WITH DENTAL BENEFITS COVERAGE BEING PROVIDED THROUGH CONTRACTS WITH INDEPENDENT PROFESSIONAL DENTAL SERVICE PROVIDERS

Form 990, Part III, Line 4b:

AS ITS LARGEST CHARITABLE INITIATIVE, THE ORGANIZATION IS COMMITTED TO EDUCATING THE PUBLIC REGARDING ORAL HEALTH AND WELLNESS THE ORGANIZATION'S EMPLOYEES PARTICIPATE IN CONTINUING EDUCATION SEMINARS THAT PROVIDE THE TRAINING NECESSARY FOR ORGANIZATION EMPLOYEES TO EDUCATE THE PUBLIC PUBLIC EDUCATION OCCURS THROUGH IN-PERSON SEMINARS AND THROUGH THE DISSEMINATION OF INFORMATION IN PRINT, AS WELL AS THROUGH TV, RADIO, AND ONLINE AWARENESS EFFORTS ONE EXAMPLE OF THE ORGANIZATION'S COMMITMENT TO ORAL HEALTH EDUCATION CAN BE VIEWED ON THE WEBSITE HTTP //ORALHEALTHDELTADENTAL COM/ THE ORGANIZATION MAINTAINS AN ONLINE DATABASE REGARDING ORAL HEALTH TOPICS AND TAILORS ORAL HEALTH INFORMATION TO INDIVIDUALS BY SEGREGATING INFORMATION BY AGE GROUP AND PROVIDING ACCESS TO AN INDIVIDUALIZED DENTAL RISK ASSESSMENT TOOL THE ORGANIZATION ALSO MAINTAINS A BLOG FOR THE PUBLIC TO PROVIDE ADDITIONAL INFORMATION REGARDING ORAL HEALTH ISSUES

Form 990, Part III, Line 4c:

THE ORGANIZATION ALSO MAKES GRANTS AND DONATES FACILITIES, EQUIPMENT, AND EMPLOYEE TIME TO SUPPORT MANY CHARITABLE CAUSES DURING 2017, THE ORGANIZATION PROVIDED OR SUPPORTED PREVENTATIVE DENTAL HEALTH SERVICES, CHILDREN'S ORAL HEALTH SERVICE, DENTAL CLINICS, IN-SCHOOL SCREENINGS, TOBACCO AND CHRONIC DISEASE PREVENTION PROGRAMS, EARLY CHILDHOOD PROGRAMS, PRENATAL AND POSTNATAL ORAL HEALTH, AND ACCESS TO DENTAL SERVICES

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate value of contributions to (during year)		
3	Aggregate value of grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

	Yes	No
(i) unrelated organizations . . . . . 3a(i)		
(ii) related organizations . . . . . 3a(ii)		
b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? 3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,530,763		1,530,763
b Buildings		6,743,785	1,712,648	5,031,137
c Leasehold improvements				
d Equipment		5,898,028	5,252,922	645,106
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c))* ▶				7,207,006

Part VII **Investments—Other Securities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) INVESTMENT IN SUBSIDIARY-SOUTHWEST BENEFIT ADM	219,518	C
(B) INVESTMENT IN SUBSIDIARY-CANYON INSURANCE SVS	632,254	C
(C) HEDGE FUNDS	13,033,160	F
(D)		
(E)		
(F)		
(G)		
(H)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	13,884,932	

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15)* ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
UNCLAIMED PROPERTY LIABILITY	822,450
CUSTOMER DEPOSIT LIABILITY	528,868
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	1,351,318

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	216,828,954
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains (losses) on investments	2a	3,238,758		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-910,254		
e	Add lines **2a** through **2d**			2e	2,328,504
3	Subtract line **2e** from line **1**			3	214,500,450
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	272,349		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	272,349
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	214,772,799

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	210,808,572
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	0
3	Subtract line **2e** from line **1**			3	210,808,572
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	272,349		
b	Other (Describe in Part XIII)	4b	3,445		
c	Add lines **4a** and **4b**			4c	275,794
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	211,084,366

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 86-0274899
Name: ARIZONA DENTAL INSURANCE SERVICE INC

Supplemental Information

Return Reference	Explanation
PART X, LINE 2	MANAGEMENT EVALUATES THE COMPANY'S EXPOSURE FOR UNCERTAIN TAX POSITIONS AT EACH REPORTING PERIOD AS OF DECEMBER 31, 2017 AND 2016, MANAGEMENT BELIEVES THE COMPANY HAS NO MATERIAL UNCERTAIN TAX POSITIONS AND THEREFORE NO SUCH LIABILITIES HAVE BEEN RECORDED

Supplemental Information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS	LOSSES FROM CONSOLIDATED RELATED PARTIES -906,809 INTEREST EXPENSE -3,445

Supplemental Information

Return Reference	Explanation
PART XII, LINE 4B - OTHER ADJUSTMENTS	INTEREST EXPENSE 3,445

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Information about Schedule I (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.

Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than $5,000 Part II can be duplicated if additional space is needed

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) DELTA DENTAL PLAN OF ARIZONA CHARITABLE FOUNDATION AND TRUST 5656 WEST TALAVI BLVD GLENDALE, AZ 85306	86-0842694	501(C)(3)	817,152				ANNUAL CONTRIBUTION BASED ON BOARD DIRECTIVE TO PROMOTE ORAL HEALTH

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 1

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22
Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	**(b)** Number of recipients	**(c)** Amount of cash grant	**(d)** Amount of noncash assistance	**(e)** Method of valuation (book, FMV, appraisal, other)	**(f)** Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	**Explanation**
PART I, LINE 2	THE ORGANIZATION'S BOARD RECEIVES REGULAR REPORTS ON THE ORGANIZATION'S ACTIVITIES AND EXPENDITURES OF GRANT FUNDS DONATIONS ARE MADE TO ESTABLISHED, WELL-RESPECTED, LOCAL PUBLIC CHARITY ORGNAIZATIONS AS A RESULT, ONGOING MONITORING OF THE USE OF GRANT FUNDS IS NOT CONSIDERED NECESSARY

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
▶ Attach to Form 990.
▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☑ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☑ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☑ Compensation committee	☑ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.			
5	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**	Yes	
b	Any related organization?	**5b**		No
	If "Yes," on line 5a or 5b, describe in Part III			
6	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**	Yes	
b	Any related organization?	**6b**		No
	If "Yes," on line 6a or 6b, describe in Part III			
7	For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**	Yes	
8	Were any amounts reported on Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II Also complete this part for any additional information

Return Reference	Explanation
PART I, LINE 1A	1 FIRST CLASS TRAVEL - ALL SENIOR EXECUTIVES ARE OFFERED THIS BENEFIT FOR BUSINESS TRAVEL EXCEEDING 4 HOURS AND IT IS NOT TREATED AS TAXABLE COMPENSATION 2 TRAVEL FOR COMPANIONS - THE PRESIDENT/CEO RECEIVES THIS BENEFIT AND IT IS TREATED AS TAXABLE COMPENSATION
PART I, LINE 4B	THE ORGANIZATION HAS A NONQUALIFIED DEFERRED COMPENSATION PLAN FOR CERTAIN MEMBERS OF SENIOR MANAGEMENT AS DETERMINED BY THE DDAZ BOARD PLAN BALANCES ARE CREDITED AT THE DISCRETION OF THE BOARD THE FOLLOWING INDIVIDUALS RECEIVED A CONTRIBUTION TO OR DISTRIBUTION FROM THE NON QUALIFIED DEFERRED COMPENSATON PLAN ALLAN ALLFORD - $129,060 CONTRIBUTION, $129,633 DISTRIBUTION MARK ANDERSON - $63,997 CONTRIBUTION CRAIG LIVESAY - $57,808 CONTRIBUTION, $71,126 DISTRIBUTION SANDRA ERNST PEREZ - $40,980 CONTRIBUTION, $54,420 DISTRIBUTION BRAD CLOTHIER - $7,390 CONTRIBUTION
PART I, LINE 5	CONSISTENT WITH THE ORGANIZATION'S OVERALL COMPENSATION PHILOSOPHY, OFFICERS, HIGHLY COMPENSATED, AND OTHER DESIGNATED EMPLOYEES PARTICIPATE IN AN ORGANIZATION INCENTIVE COMPENSATION PLAN THE PLAN CONTAINS METRICS WHICH REPRESENT STRATEGIC PLAN MEASURES THAT ARE DETERMINED ANNUALLY BY THE BOARD OF DIRECTORS AN OVERALL WEIGHTED SCORE IS CALCULATED BASED ON ACHIEVING A RANGE OF PLAN MEASURES, AMONG WHICH ARE INCENTIVES RELATED TO REVENUE GOALS
PART I, LINE 6	CONSISTENT WITH THE ORGANIZATION'S OVERALL COMPENSATION PHILOSOPHY, OFFICERS, HIGHLY COMPENSATED, AND OTHER DESIGNATED EMPLOYEES PARTICIPATE IN AN ORGANIZATION INCENTIVE COMPENSATION PLAN THE PLAN CONTAINS METRICS WHICH REPRESENT STRATEGIC PLAN MEASURES THAT ARE DETERMINED ANNUALLY BY THE BOARD OF DIRECTORS AN OVERALL WEIGHTED SCORE IS CALCULATED BASED ON ACHIEVING A RANGE OF PLAN MEASURES, AMONG WHICH ARE INCENTIVES RELATED TO REVENUE GOALS
PART I, LINE 7	CONSISTENT WITH THE ORGANIZATION'S OVERALL COMPENSATION PHILOSOPHY, THE COMPENSATION OF OFFICERS AND HIGHLY COMPENSATED EMPLOYEES INCLUDE THE POTENTIAL FOR A BONUS BASED UPON FURTHERING THE CHARITABLE PURPOSES OF THE ORGANIZATION THIS GOAL INCLUDES PRESERVATION OF INCOME WHICH PROVIDES THE ORGANIZATION WITH THE RESOURCES NECESSARY TO ACCOMPLISH ITS CHARITABLE PURPOSES

Additional Data

Software ID:

Software Version:

EIN: 86-0274899

Name: ARIZONA DENTAL INSURANCE SERVICE INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1ALLAN ALLFORD PRESIDENT/CEO	(I)	506,066	207,000	138,633	129,060	26,604	1,007,363	0
	(II)	0	0	0	0	0	0	0
1MARK ANDERSON VICE PRESIDENT/CFO	(I)	304,944	111,000	7,200	63,997	26,865	514,006	0
	(II)	0	0	0	0	0	0	0
2CRAIG LIVESAY VICE PRESIDENT	(I)	244,849	85,775	71,126	57,808	26,427	485,985	0
	(II)	0	0	0	0	0	0	0
3SANDRA ERNST PEREZ VICE PRESIDENT	(I)	158,017	34,998	54,420	40,980	23,742	312,157	0
	(II)	0	0	0	0	0	0	0
4BRAD CLOTHIER VICE PRESIDENT	(I)	310,117	70,000	6,000	7,390	4,229	397,736	0
	(II)	0	0	0	0	0	0	0
5SCOTT PEDERSON VICE PRESIDENT	(I)	167,630	18,000	0	0	15,577	201,207	0
	(II)	0	0	0	0	0	0	0
6ASHLEE DAILEY CONTROLLER/DIR OF FINANCE	(I)	136,713	20,350	0	0	14,375	171,438	0
	(II)	0	0	0	0	0	0	0
7JEFF NEWBILL SENIOR DATABASE ADMIN	(I)	130,742	8,916	0	0	11,437	151,095	0
	(II)	0	0	0	0	0	0	0
8JOHN BRULEY DIRECTOR OF IT	(I)	127,203	20,350	0	0	21,132	168,685	0
	(II)	0	0	0	0	0	0	0
9ERIK SKARTVEIT DIRECTOR OF UNDERWRITING	(I)	120,696	17,200	0	0	19,654	157,550	0
	(II)	0	0	0	0	0	0	0

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**
▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Information about Schedule L (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
Total				▶ $								

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV **Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) DALE HALLBERG	DIRECTOR	282,441	CONTRACTED PROVIDER PAYMENTS WERE MADE TO BOARD MEMBER DALE HALLBERG CONSISTENT WITH REGULAR COMPANY REIMBURSEMENT RATES		No
(2) BRUCE SPIGNER	DIRECTOR	107,160	CONTRACTED PROVIDER PAYMENTS WERE MADE TO BOARD MEMBER BRUCE SPIGNER CONSISTENT WITH REGULAR COMPANY REIMBURSEMENT RATES		No

Part V **Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	ANY ETHICAL DENTIST DULY LICENSED AND IN GOOD STANDING IN THE STATE OF ARIZONA IS ELIGIBLE TO BE A MEMBER OF THE ORGANIZATION MEMBERS ELECT THE BOARD OF DIRECTORS MEMBERS DO NOT HAVE AN OWNERSHIP INTEREST IN THE ORGANIZATION

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	MEMBERS OF THE ORGANIZATION HAVE AUTHORITY TO ELECT DELTA DENTAL'S GOVERNING BODY NO OTHE R GROUP OR PERSON CAN VOTE FOR THOSE WHO SERVE ON THE ORGANIZATION'S GOVERNING BODY

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	THESE BYLAWS MAY BE ALTERED, AMENDED OR REPEALED AND NEW BYLAWS MAY BE ADOPTED ONLY BY THE AFFIRMATIVE VOTE OF TWO THIRDS OF THE MEMBERS PRESENT AT A MEETING OF THE MEMBERS AT WHIC H A QUORUM IS PRESENT

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE ORGANIZATION HAS A PROCESS FOR THE GOVERNING BODY TO RECEIVE AND REVIEW THE 990 BEFORE IT IS FILED THAT PROCESS INCLUDES THE FOLLOWING STEPS 1 MANAGEMENT'S ENGAGEMENT OF OUTS IDE PROFESSIONAL SERVICES TO PREPARE AND DRAFT THE FORM 990 2 MANAGEMENT'S REVIEW OF THE DRAFT FORM 990 TO CHECK FOR ACCURACY 3 THE REVIEW OF THE DRAFT FORM 990 BY THE COMPANY' S AUDIT AND INVESTMENT COMMITTEE 4 PROVIDING THE PROPOSED FINAL DRAFT OF THE FORM 990 TO THE BOARD OF DIRECTORS BEFORE FILING THE DOCUMENT WITH THE IRS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION HAS A POLICY IN PLACE TO MONITOR AND ENFORCE COMPLIANCE WITH ITS CONFLICT OF INTEREST POLICIES WHICH COVER BOTH BOARD MEMBERS AND EMPLOYEES UPON HIRE AND ANNUALLY THEREAFTER, MEMBERS OF THE GOVERNING BOARD ARE REQUIRED TO EXECUTE THE CONFLICT OF INTERE ST POLICY UPON HIRE, EMPLOYEES ARE REQUIRED TO EXECUTE THE CONFLICT OF INTEREST POLICY T HE ORGANIZATION HAS PROCEDURES IN PLACE TO REMIND EMPLOYEES AND OFFICERS/DIRECTORS OF THE COMPANY OF THE POLICY AND OF THE NEED TO BE ATTENTIVE TO THE POSSIBILITY OF NEWLY CREATED CONFLICTS OF INTEREST FURTHER, IN CONNECTION WITH THE ORGANIZATION'S DUE DILIGENCE ASSOCI ATED WITH THE PREPARATION OF FILING OF THE FORM 990, A SEPARATE PROCESS IS USED TO OBTAIN INFORMATION FROM DIRECTORS AND EMPLOYEES TO ENABLE THE ORGANIZATION TO ASSESS THE EXISTENC E OF TRANSACTIONS OR RELATIONSHIPS THAT SHOULD BE DISCLOSED BY THE ORGANIZATION POTENTIAL AND ACTUAL CONFLICTS INVOLVING EMPLOYEES OTHER THAN THE CEO AND CFO ARE REVIEWED BY THE C EO AND CFO POTENTIAL AND ACTUAL CONFLICTS OF THE CEO, CFO, AND BOARD MEMBERS ARE REVIEWED BY THE EXECUTIVE COMMITTEE OF THE BOARD IN ALL INSTANCES INVOLVING AN ACTUAL CONFLICT OF INTEREST, THE CONFLICTED EMPLOYEE OR BOARD MEMBER IS ASKED TO RECUSE HIMSELF FROM DELIBERA TIONS ABOUT THE POTENTIAL TRANSACTION

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE ORGANIZATION HAS A PROCESS IN PLACE FOR INDEPENDENT CONSULTANTS TO REVIEW AND REPORT O N COMPENSATION OF THE CEO, OFFICERS, KEY EMPLOYEES, AND BOARD MEMBER COMPENSATION WITH FIN AL REVIEW AND APPROVAL BY THE BOARD OF DIRECTORS THIS INCLUDES REVIEW OF COMPARABILITY, D ATA, AND OBTAINING THE INDEPENDENT CONSULTANT'S OPINION OF THE REASONABLENESS OF COMPENSAT ION DECISIONS MADE BY THE ORGANIZATION INDEPENDENT CONSULTANT REVIEWS ARE PERFORMED FOR E XECUTIVE STAFF AND BOARD COMPENSATION EVERY TWO YEARS THE INDEPENDENT CONSULTANT'S REPORT AND THE AFFIRMATION OF DISINTERESTED BOARD MEMBERS IS DOCUMENTED IN WRITING IN THE BOARD MINUTES REVIEWS WERE LAST PERFORMED IN 2018

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	AS REQUIRED BY ARIZONA STATE LAW, THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND FINAN CIAL STATEMENTS AVAILABLE TO THE PUBLIC THE ORGANIZATION DOES NOT MAKE ITS CONFLICT OF IN TEREST STATEMENT AVAILABLE TO ITS MEMBERS OR TO THE PUBLIC MEMBERS OF THE PUBLIC MAY OBTA IN COPIES OF THE ARTICLES OF INCORPORATION FROM THE ARIZONA CORPORATION COMMISSION MEMBER S OF THE PUBLIC ALSO MAY OBTAIN COPIES OF DELTA DENTA'S STATUTORY FINANCIAL STATEMENTS FRO M THE ARIZONA DEPARTMENT OF INSURANCE AND FROM THE NATIONAL ASSOCIATION OF INSURANCE COMMI SSIONERS

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART XI, LINE 9	LOSSES FROM CONSOLIDATED RELATED PARTIES -60,951

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization
ARIZONA DENTAL INSURANCE SERVICE INC

Employer identification number
86-0274899

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) AZ DELTA INSURANCE SERVICE HOLDINGS LLC 5656 WEST TALAVI BLVD GLENDALE, AZ 85306	HOLDING COMPANY	AZ	0	0	N/A

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1)DELTA DENTAL PLAN OF ARIZONA CHARITABLE FOUNDATION AND TRUST 5656 W TALAVI BLVD GLENDALE, AZ 85306 86-0842694	TO IMPROVE ORAL HEALTH ACROSS ARIZONA FOR INDIVIDUALS AND COMMUNITIES	AZ	501(C)(3)		N/A		No

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1)CANYON INSURANCE SERVICE INC 5656 WEST TALAVI BLVD GLENDALE, AZ 85306 41-2139223	INSURANCE	AZ	AZ DENTAL	C	709	636,010	100 000 %	Yes	
(2)SOUTHWEST BENEFIT AMINISTRATORS LLC 5656 WEST TALAVI BLVD GLENDALE, AZ 85306 68-0586699	ADMIN SERVICES	AZ	AZ DENTAL	C	8,060,257	219,518	100 000 %	Yes	

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

		Yes	No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest, **(ii)**annuities, **(iii)** royalties, or**(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e	Yes	
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	Yes	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q		No
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)SOUTHWEST BENEFIT ADMINISTRATORS LLC	L	8,060,255	FMV
(2)SOUTHWEST BENEFIT ADMINISTRATORS LLC	M	8,060,255	FMV

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)