Agent Item Number: C.1

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<th>BULK ITEM:</th>
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<td>DEPARTMENT:</td>
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<td>TIME APPROXIMATE:</td>
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<tr>
<td>STAFF CONTACT:</td>
<td>Natalie Maddox (305) 292-4450</td>
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**AGENDA ITEM WORDING:** Approval of one-year policy renewal with Delta Dental Insurance (1/1/20-12/31/20), and a plan design change offering two plans with a Premier Network.

**ITEM BACKGROUND:**

Approval of a one-year renewal of the County’s agreement with Delta Dental Insurance with plan design change to a Premier Network with two coverage options.

The County currently offers two dental plans, a low and high coverage option. This change will delete the current low option plan due to limited provider network and balance-billing to members. The current high plan remains and will be called the Gold plan. A new plan will be added called the Silver plan. The Silver plan includes the same premier network of providers and does not balance-bill members, but offers a lower benefit level which is designed to serve the dental utilization needs for most members.

Both Gold and Silver Plans offer preventive care coverage (cleaning and x-ray) at 100%.

**GOLD PLAN** (Attachment: Program A – Plan 1 - Gold) This is the current HIGH Plan which for the 2020 plan-year reflects a 15% rate increase over 2019.

Gold Plan Rates per payday: Employee Only rate $25.62 (increase $ 3.19; Employee & Spouse rate $48.48 (increase $ 6.03); Employee & Children rate $ 52.32 (increase $ 6.50); Family rate $ 75.78 (increase $ 9.43).

**SILVER PLAN** (Attachment: Program E – Plan 1 – Silver) For the 2020 plan-year, this plan replaces the previous LOW Plan. Services covered remain the same but plan incurs a 10% increase in coinsurance, increases max coverage amounts from $2,000 to $3,000 per person, per year, and increases from $1,500 to $3000 the per-dependent child orthodontics lifetime benefit.

Silver Plan Rates per payday: Employee Only rate $ 19.40 (increase of $7.46 from the Low Plan and decrease of $3.03 from the High Plan; Employee & Spouse rate $37.56 (increase of $14.97 from
the Low Plan and decrease of $4.89 from the High Plan; Employee & Children rate $40.23 (increase of $15.86 from the Low Plan and decrease of $12.09 from the High Plan); Family rate $30.23 (increase of $24.92 from the Low Plan and decrease of $6.12 from the High plan).

The current Delta Dental High Plan, which uses the Premier Network has approximately 668 enrollees and the current Low Plan has approximately 438 enrollees. A continued annual shift toward the high plan among plan participants has occurred during open enrollment due to erosion of the provider network in the low plan and employees in the low plan being balance-billed for services that are insufficiently covered by the low plan. Currently in Monroe County, there are 25 (twenty-five) providers in the Delta Dental High Plan premier network, and only 2 (two) providers in the Delta Dental Low Plan Network. There are approximately 29 total dental providers throughout the Florida Keys.

With claims experience in the High Plan continuing to increase, Delta Dental proposed an increase in the High Plan premium of 15%; From April 2017 to April 2019, claims have at times exceeded premiums collected. Over the 2-year period, claims have run approximately 91% of premiums collected ($1,527,563.00 vs. $1,673,538.00).

The $3,000 benefit level associated with the new Silver Plan, premier network is sufficient for the majority of members. Over the 2-year period, the plan had only 4 claims over $5,000, and only 23 claims over $3,000. On average there are 1,350 covered individuals on the County’s Dental insurance.

Staff considered conducting an RFP for dental insurance given the series of high-plan rate increases. However, Gallagher Benefit Services, Inc. (the County’s Benefits Consultant) advised that due to our claims history, the total number of providers in Monroe County, the County would have a very low probability of improving pricing or provider network with another vendor. Gallagher recommends the County adopt this premier network, two-plan design through Delta Dental.

PREVIOUS RELEVANT BOCC ACTION:

2011 Dental RFP resulted in two-year agreement with United Concordia approved by the BOCC, October 2011. In 2014, the Employee Benefits Department began to receive numerous complaints from employees about their dentists leaving the United Concordia network due to lowered reimbursements. In addition, dentists complained of United Concordia denying claims and requesting additional documentation. Due to these service and network concerns, a Dental RFP was done early 2014 resulting in Delta Dental ranked as the #1 vendor. A special Open Enrollment, just for dental in July 2014, in order for employees/retirees to drop their dental coverage or enroll with Delta Dental. Delta Dental agreed to credit any deductibles already satisfied for 2014.

In May 2015, BOCC approved staff to negotiate an insurance policy with Delta Dental for a two (2) year term (9/1/15-12/31/17). October 2017, BOCC approved a one-year renewal with Delta Dental with a 20% premium increase in the High Plan due to high dental utilization and claims experience. For plan year 2018 Delta Dental again increased rates by 15% for the High Plan due to utilization and claims experience. Delta Dental has maintained the Low Plan premium rates unchanged for the
past six years.

**CONTRACT/AGREEMENT CHANGES:**
2 Premier Network Options

**STAFF RECOMMENDATION:** Approval.

**DOCUMENTATION:**
2 Yr Prem vs Claim
Enrollment and Claim Illustration
RateSheet Program A Plan 1_GOLD
RateSheet Program E Plan 1_SILVER
Delta Dental Offer Eff 1/1/2020
Delta Dental Comparison Rev 7/23/19

**FINANCIAL IMPACT:**

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Total Dollar Value of Contract:
Total Cost to County: None
Current Year Portion: Budgeted:
Source of Funds: 100% of cost funded by plan participant premiums
CPI:
Indirect Costs:
Estimated Ongoing Costs Not Included in above dollar amounts:

Revenue Producing: N/A If yes, amount:
Grant: N/A
County Match: N/A
Insurance Required:

**Additional Details:**

**REVIEWED BY:**
Natalie Maddox  Completed  07/29/2019 3:50 PM
Bryan Cook  Completed  07/29/2019 3:51 PM
Assistant County Administrator Christine Hurley  Completed  07/29/2019 4:47 PM
Cynthia Hall  Completed  07/29/2019 5:27 PM
Budget and Finance  Completed  07/31/2019 9:49 AM
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