

REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:
 Res/~~Ord~~ No.: 18281
 Sponsor(s): Greg Grounds
 Date: October 14, 2013

SUBJECT	Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance Project/Title: <u>Authorizing the County Executive to execute a one year contract with renewal options for two additional years for the furnishing of Dental Insurance as an employee benefit for use Countywide to Blue Cross Blue Shield of Kansas City for the PPO options and Dental Source for the DHMO option.</u>
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BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i>	<table border="1" style="width: 100%;"> <tr> <td style="width: 70%;">Amount authorized by this legislation this fiscal year:</td> <td style="width: 30%;"></td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td></td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td></td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td></td> </tr> <tr> <td>Source of funding (name of fund) and account code number; FROM / TO</td> <td>FROM ACCT TO ACCT</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Estimated Use: \$ 50,000.00</p> <p>Prior Year Budget (if applicable): 50K Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:		Amount previously authorized this fiscal year:		Total amount authorized after this legislative action:		Amount budgeted for this item * (including transfers):		Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT TO ACCT
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PRIOR LEGISLATION	Prior ordinances and (date): Prior resolutions and (date)- Res 16740 10-20-08 , 18175 (5-20-13)
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CONTACT INFORMATION	RLA drafted by (name, title, & phone): Shelley Temple-Kneuvean 881.3064
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REQUEST SUMMARY	Requesting Legislative approval to add new dental plans from Blue Cross Blue Shield and Dental Source per the recommendation of benefits broker on October 8, 2013 Garry and Associates. Broker sent out bids to 8 respondents and received responses from 6 providers as follows: <ul style="list-style-type: none"> • Dental Source/Blue Cross Blue Shield • Assurant • Delta Dental • Ameritas • Cigna • Humana
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	<p>Chapter 10.1080 governs insurance bids which outlines that the Director of Financing and Purchasing shall work with the Risk Manager and Chief Administrative Officer to develop the specifications. In the contract for broker services awarded to Garry & Associates, the broker is provided the responsibility to develop the specification and solicit bids on behalf of the county.</p> <p>The award is made on an as needed basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriations.</p> <p>The Broker recommends Dental Source and BCBS.</p> <p>The cost per plan will be as follows:</p> <p>Dental Source DHMO 8.76 ind 14.26 couple 22.00 family</p> <p>Blue Cross Base PPO 13.78 ind 25.52 couple 45.96 family</p> <p>Blue Cross Buy-up 21.74 ind 42.86 couple 71.56 family</p>	
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS	Bid comparison	
REVIEW	Department Director:	Date:
	Finance (Budget Approval): If applicable <i>N/A</i> <i>Shelley Temple Kneuvean</i>	Date: <i>10-9-13</i>
	Division Manager: Shelley Temple Kneuvean <i>SK</i>	Date: 10-9-13
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:
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Kansas City

Monthly Rate Summary For: Jackson County

BCBSKC Group Sales Representative:	Zee Hayley	Proposed Effective Date:	01/01/14
Broker:	Josh Garry	Today's Date:	09/14/13
Location of Group:	Blairtown	Commission:	NET

A. PPO DENTAL

BASE - Preferred-Care Dental	<u>Type I</u>	<u>Type II</u>		
Deductible:	\$0	\$50		
Coinsurance:	100/100%	80/60%		
Annual Maximum (I - II):	\$1,500			
	BCBSKC	ACA Excise Tax*	Total Rate	
Individual	\$13.45	\$0.32	\$13.78	
Employee & 1 Dependent	\$24.92	\$0.60	\$25.52	
Family	\$44.89	\$1.08	\$45.96	

BUY UP - Preferred-Care Dental	<u>Type I</u>	<u>Type II</u>	<u>Type III</u>	<u>Type IV</u>
Deductible:	\$0	\$50	\$50	\$0
Coinsurance:	100/100%	80/60%	50/50%	60/50%
Annual Maximum (I - III):	\$1,500			
Lifetime Maximum (IV):	\$1,500			
	BCBSKC	ACA Excise Tax*	Total Rate	
Individual	\$21.24	\$0.51	\$21.74	
Employee & 1 Dependent	\$41.86	\$1.00	\$42.86	
Family	\$69.88	\$1.68	\$71.56	

DHMO See Attached Fee Schedule for Benefits

	BCBSKC	ACA Excise Tax*	Total Rate
Individual	\$8.55	\$0.21	\$8.76
Employee & 1 Dependent	\$13.93	\$0.33	\$14.26
Family	\$21.48	\$0.52	\$22.00

*** ACA Taxes/Fees**

Health Insurance Excise Tax - 2.4% x # of Contract Months in 2014/12 x Current Premium

B. ADDITIONAL INFORMATION

DO NOT cancel your current coverage until you receive final approval from Blue Cross and Blue Shield of Kansas City. Blue Cross and Blue Shield of Kansas City may maintain, adjust, or withdraw the above rates, which were calculated subject to the following:

- Employer contribution level: 0% to employee cost & 0% to dependent cost
- A minimum of 30% of all full-time employees must enroll in the coverage.
- Covered census:

<u>Dental</u>	
635	Individual
239	Employee & 1 Dependent
326	Family
1,200	
- Quote assumes no more than a 10% enrollment variance.
- Rates are good for 2014, 2015 and 2016, provided underwriting requirements continue to be met. Rates may be adjusted if enrollment varies more than 10% at any time during the contract.
- Employer must complete an acceptable Group Application, including the Group Survey Size Form.
- Assumes the information submitted upon which this quote is calculated is both accurate and complete. Receipt of additional information could result in the quote being withdrawn or the rates being adjusted.
- Out-of-network fee schedule is based upon 90th percentile of U&C.

DENTAL COMPANY	CIGNA DHMO Fee Based plan	CIGNA PPO	CIGNA PPO	HUMANA PPO	HUMANA PPO
CALENDAR YEAR MAXIMUM	See Fee Schedule	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
LIFETIME ORTHO MAXIMUM	"	N/A	\$1,500.00	\$1,500.00	\$1,500.00
INDIVIDUAL DEDUCTIBLE	"	\$50.00	\$50.00		
FAMILY DEDUCTIBLE	"	Applies to Type II Per member	Applies to II & III Per member	Applies to Type II Per member	Applies to II & III Per member
TYPE I SERVICES/PREVENTIVE	"	100%	100%	100%	100%
TYPE II SERVICES/BASIC	"	80%	80%	80%	80%
TYPE III SERVICES/MAJOR	"	N/A	50%	N/A	50%
TYPE IV SERVICES/ORTHO	"	N/A	60%	N/A	60%
MONTHLY RATES					
3-TIER					
EMPLOYEE	\$8.79	\$12.13	\$19.15	\$12.61	\$19.91
EMPLOYEE + 1	\$14.38	\$22.49	\$37.77	\$23.38	\$39.26
FAMILY	\$22.13	\$40.51	\$63.07	\$42.11	\$65.56
PROPOSAL NOTES:	2 year rate 3% cap - 3rd year	1 year rate	1 year rate	2 year rate NO DHMO	2 year rate
CARRIERS DECLINING:					
AETNA					
METLIFE					

JACKSON COUNTY, MISSOURI

DENTAL COMPANY	DENTAL SOURCE DHMO Fee Based plan	BLUE CROSS Preferred-Care Base PPO	DELTA DENTAL Premier Base PPO	DELTA DENTAL Premier Buy-Up PPO	AMERITAS PPO Low Plan	AMERITAS PPO High Plan
CALENDAR YEAR MAXIMUM	See Fee Schedule	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00	\$1,500.00
LIFETIME ORTHO MAXIMUM	"	N/A	\$1,500.00	\$1,500.00	N/A	\$1,500.00
INDIVIDUAL DEDUCTIBLE	"	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
FAMILY DEDUCTIBLE	"	Applies to Type II Per member	Applies to Type II Per member	Applies to II & III Per member	Applies to Type II Per member	Applies to II & III Per member
TYPE I SERVICES/PREVENTIVE	"	100%/100%	100%	100%	100%	100%
TYPE II SERVICES/BASIC	"	80%/60%	80%	80%	80%	80%
TYPE III SERVICES/MAJOR	"	N/A	N/A	10% - 1st year 25% - 2nd year 50% - 3rd year	N/A	50%
TYPE IV SERVICES/ORTHO	"	N/A	N/A	60%	N/A	60%

MONTHLY RATES

3-TIER			
EMPLOYEE	\$8.75	\$13.77	\$21.73
EMPLOYEE + 1	\$14.25	\$25.52	\$42.85
FAMILY	\$22.00	\$45.96	\$71.56

PROPOSAL NOTES:

	3 year rate	3 year rate	2 year rate	2 year rate	1 year rate
			NO DHMO	NO DHMO	NO DHMO

ASSURANT	DHMO	BASE	BUY-UP
2013 RATES			
EMPLOYEE	\$9.06	\$14.34	\$22.64
EMPLOYEE + 1	\$14.82	\$26.58	\$44.64
FAMILY	\$22.80	\$47.88	\$74.54
2014 RATES			
EMPLOYEE	\$9.06	\$14.90	\$23.53
EMPLOYEE + 1	\$14.82	\$27.62	\$46.39
FAMILY	\$22.80	\$49.75	\$77.46