

REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res/~~Ord~~ No.: 18643

Sponsor(s): Theresa Garza Ruiz

Date: October 27, 2014

<p>SUBJECT</p>	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: A RESOLUTION awarding a one year term and supply contract with annual renewal options for two additional years for the furnishing of employee group dental insurance as an employee benefit countywide to Blue Cross Blue Shield of Kanas City, MO and Dental Source/Blue Cross under the terms and conditions of the Request for Proposal No. 64-14.</p>										
<p>BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i></p>	<table border="1" data-bbox="321 604 1206 919"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td style="text-align: right;">\$</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 type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Estimated Use: \$</p> <p>Prior Year Budget (if applicable): 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
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										
<p>PRIOR LEGISLATION</p>	<p>Prior ordinances and (date):</p> <p>Prior resolutions and (date): Resolution #18281, 10-14-13</p>										
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, & phone): Shelley Kneuvean, Chief Operating Officer</p>										
<p>REQUEST SUMMARY</p>	<p>Request for Proposal 64-14 was sent out with a total of five (5) solicitations sent out. Four responses were returned for dental insurance from the following:</p> <ul style="list-style-type: none"> • Blue Cross Blue Shield Kanas City (Jackson County, MO) / Dental Source DMHO • Liberty Dental (Clay County, MO) • Assurant (Overland Park, KS) • Humana (Lexington, KY) <p>Based on the proposals submitted including terms and conditions as well as pricing, Blue Cross Blue Shield and Dental Source is recommended for the award of a one year contract with two annual renewal terms for the furnishing of dental insurance as an employee benefit for use countywide. Under the terms and conditions of</p>										

	<p>RFP 64-14 as the lowest and best bid. This award is made on an as needed basis and does not obligate Jackson County to pay any specific amount, with the availability of funds subject to annual appropriation.</p> <p>A rate lock for BCBS base plan and buy up plan is included for 2016 and 2017. The total premium cost for 2015 is as follows:</p> <p>BCBS Preferred Care Base OPTION Individual \$13.22 Employee +1 \$24.48 Family \$44.09</p> <p>BCBS Preferred Care Buy Up OPTION Individual \$21.96 Employee +1 \$43.28 Family \$72.26</p> <p>Dental Source DHMO OPTION Individual \$8.76 Employee +1 \$14.26 Family \$22.00</p>	
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS		
REVIEW	Department Director:	Date:
	Finance (Budget Approval): If applicable <i>Robert A Ball N/A</i>	Date: 10-21-14
	Division Manager: <i>[Signature]</i>	Date: 10/20/14
	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:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

Dental Indemnity Plan Summary Worksheet

Res. 18643

DENTAL			
Plan Type		Preferred Care Dental Base Plan	
Deductible:			
▶ Individual		\$50.00 per person	
▶ Family		Not Applicable	
▶ Waived for Preventive?			
		<i>Members Responsibility</i>	
Diagnosis/Preventive		In Network	*Out of Network
▶ Periodic Oral Exam (2 each cal/yr)		0%	0%
▶ Cleaning (Once every six months)		0%	0%
▶ Sealants - per tooth		0%	0%
Restorative			
▶ Bitewings - Four films		0%	0%
▶ Amalgam - Two surface		20%	40%
▶ Resin-Composite, two surface anterior		20%	40%
Periodontics			
▶ Periodontal Scaling and Root Planning - four or more teeth per quadrant		20%	40%
Crowns, Inlays and Bridges			
▶ Stainless Steel Crown		Not Covered	
▶ Porcelain/Metal Crown		Not Covered	
▶ Recement Crown		Not Covered	
Endodontics			
▶ Root Canal Molar		20%	40%
Oral Surgery			
▶ Simple Extractions, Coronal remnants		20%	40%
Prosthetics			
▶ Dentures		Not Covered	
▶ Denture Repair		Not Covered	
▶ Denture Relining		Not Covered	
Orthodontics included?		No	
Annual Maximum Benefit		\$1,500.00	
Orthodontia Lifetime Maximum		N/A	
TMJ		Not Covered	
Dependent Child Age Limit		26	
Out of Network UCR		90 th Percentile	
Late Entrants Allowed?		Annual Open Enrollment	
Waiting Periods		None	
Participation Requirement		75% of eligible employees	
Employer Contributions			
Unit Cost:			
▶ Employee Only		\$13.22	
▶ Employee + One		\$24.48	
▶ Family		\$44.09	
Rate Guarantee:			
▶ 2 nd year rate cap		2016 Base: If paid loss ratio is less than 80%, then rates will remain at the 2015 level. If paid loss ratio is greater than or equal to 80%, a rate cap of +5% will apply.	
▶ 3rd year rate cap		2017 Base: If paid loss ratio is less than 80%, then rates will remain at the 2016 level. If paid loss ratio is greater than or equal to 80%, a rate cap of +5% will apply.	
▶ # of Participating Dentists		815	
▶ # of Participating Dentists Accepting New Patients		806	
▶ Teeth Whitening Offered/Cost?		Discount Program Available	
▶ Implants Offered/Cost?		Yes, Buy Up Option 1 includes the cost	

‡ Non-Participating Dentist: These providers do not participate in Blue KC's Preferred Care Dental Network. Benefits for covered services from these providers will be less than if obtained from a PPO Network dentist, and you will be balance billed for any difference between the dentist's charge and Blue KC's allowance. To ensure you do not receive additional charges, visit a network dentist.

Dental Indemnity Plan Summary Worksheet

Res. 18643

DENTAL			
Plan Type	Preferred Care Dental Buy Up		
Deductible:			
▶ Individual	\$50.00 per person		
▶ Family	Not Applicable		
▶ Waived for Preventive?			
<i>Members Responsibility</i>			
Diagnosis/Preventive	In Network	*Out of Network	
▶ Periodic Oral Exam (2 each cal/yr)	0%	0%	
▶ Cleaning (Once every six months)	0%	0%	
▶ Sealants - per tooth	0%	0%	
Restorative			
▶ Bitewings - Four films	0%	0%	
▶ Amalgam - Two surface	20%	40%	
▶ Resin-Composite, two surface anterior	20%	40%	
Periodontics			
▶ Periodontal Scaling and Root Planning - four or more teeth per quadrant	50%	50%	
Crowns, Inlays and Bridges			
▶ Stainless Steel Crown	50%	50%	
▶ Porcelain/Metal Crown	50%	50%	
▶ Recement Crown	20%	40%	
Endodontics			
▶ Root Canal Molar	20%	40%	
Oral Surgery			
▶ Simple Extractions, Coronal remnants	20%	40%	
Prosthodontics			
▶ Dentures	50%	50%	
▶ Denture Repair	20%	40%	
▶ Denture Relining	20%	40%	
Orthodontics included?	60%	50%	
Annual Maximum Benefit	\$1,500.00		
Orthodontia Lifetime Maximum	\$1,500.00		
TMJ	Not Covered		
Dependent Child Age Limit	26		
Out of Network UCR	90 th Percentile		
Late Entrants Allowed?	Annual Open Enrollment		
Waiting Periods	None		
Participation Requirement	75% of eligible employees		
Employer Contributions			
Unit Cost:			
▶ Employee Only	\$21.96		
▶ Employee + One	\$43.28		
▶ Family	\$72.26		
Rate Guarantee:			
▶ 2 nd year rate cap	2016 Buy Up: Rates will remain at the 2015 level		
▶ 3 rd year rate cap	2017 Buy Up: If paid loss ratio is less than 80%, then rates will remain at the 2016 level. If paid loss ratio is greater than or equal to 80%, a rate cap of +5% will apply.		
▶ # of Participating Dentists	815		
▶ # of Participating Dentists Accepting New Patients	806		
▶ Teeth Whitening Offered/Cost?	Discount Program Available		
▶ Implants Offered/Cost?	Yes, Option 1 includes the cost		

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Dental Indemnity Plan Summary Worksheet Res. 18643

DENTAL		
Plan Type	Preferred Care Dental Buy Up Plan with Dental Implants	
Deductible:		
▶ Individual	\$50.00 per person	
▶ Family	Not Applicable	
▶ Waived for Preventive?		
	<i>Members Responsibility</i>	
Diagnosis/Preventive	In Network	*Out of Network
▶ Periodic Oral Exam (2 each cal/yr)	0%	0%
▶ Cleaning (Once every six months)	0%	0%
▶ Sealants - per tooth	0%	0%
Restorative		
▶ Bitewings - Four films	0%	0%
▶ Amalgam - Two surface	20%	40%
▶ Resin-Composite, two surface anterior	20%	40%
Periodontics		
▶ Periodontal Scaling and Root Planning - four or more teeth per quadrant	50%	50%
Crowns, Inlays and Bridges		
▶ Stainless Steel Crown	50%	50%
▶ Porcelain/Metal Crown	50%	50%
▶ Recement Crown	20%	40%
Endodontics		
▶ Root Canal Molar	20%	40%
Oral Surgery		
▶ Simple Extractions, Coronal remnants	20%	40%
Prosthodontics		
▶ Dentures	50%	50%
▶ Denture Repair	20%	40%
▶ Denture Relining	20%	40%
Orthodontics included?	60%	50%
Annual Maximum Benefit	\$1,500.00	
Orthodontia Lifetime Maximum	\$1,500.00	
TMJ	Not Covered	
Dependent Child Age Limit	26	
Out of Network UCR	90 th Percentile	
Late Entrants Allowed?	Annual Open Enrollment	
Waiting Periods	None	
Participation Requirement	75% of eligible employees	
Employer Contributions		
Unit Cost:		
▶ Employee Only	\$23.32	
▶ Employee + One	\$45.95	
▶ Family	\$76.71	
Rate Guarantee:		
▶ 2 nd year rate cap	2016 Buy Up: Rates will remain at the 2015 level	
▶ 3rd year rate cap	2017 Buy Up: If paid loss ratio is less than 80%, then rates will remain at the 2016 level. If paid loss ratio is greater than or equal to 80%, a rate cap of +5% will apply.	
▶ # of Participating Dentists	815	
▶ # of Participating Dentists Accepting New Patients	806	
▶ Teeth Whitening Offered/Cost?	Discount Program Available	
▶ Implants Offered/Cost?	Unit Cost Includes Implants	

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Kansas City

Jackson County
Dental Benefit Plan Summary – Base Plan
 January 1, 2015

Res. 18643

BlueKC Dental	In-Network	Out-of-Network
	Preferred-Care PPO Dentist	Non-Participating Dentist
Type I Services: <ul style="list-style-type: none"> • Routine oral exam – two each calendar year • Cleaning – two each calendar year • Dental X-rays • Fluoride treatment – two each calendar year to age 19 • Sealant application on posterior tooth – one treatment per tooth every three years (to age 14) • Fixed and removable space maintainer (initial appliance only) • Emergency palliative treatment (pain relief) 	100%	100%
Type II Services: <ul style="list-style-type: none"> • Fillings • Crown and inlay re-cementing (after 6 months of insertion) • Periodontal services – periodontal cleaning not combined with routine cleaning • Bridge re-cementing (after 6 months of insertion) • Tooth extraction (simple and surgical incl. wisdom teeth) 	80%	60%
Calendar Year Deductible	\$50 per person <i>Deductible waived for Type I Services</i>	
Calendar Year Maximum	\$1,500	
Dependent Limiting Age	26	

This document is intended to give a summary description of the plan and is not a contract. Please refer to your certificate of insurance for complete terms and conditions.

Provider Network

BlueKC's National Dental Network is an extensive network of dentists who were very carefully selected against rigorous standards, and represent a cross section of all dental specialties. The highest level of benefits for covered services will be provided when services are obtained from a BlueKC PPO dentist. These providers accept payment based on a reduced fee schedule resulting in reduced out-of-pocket expense, and they will not balance bill you.

Non-Participating Dentist: These providers do not participate in BlueKC's Dental Network. You may be responsible for filing your own claims forms and payment for services may be made directly to you. Benefits for covered services from these providers will be less than if obtained from a PPO Network dentist, and you will be balance billed for any difference between the dentist's charge and BlueKC's allowance. To ensure you do not receive additional charges, visit a network dentist.



Kansas City

Jackson County
Dental Benefit Plan Summary – BuyUp Plan
 January 1, 2015

Res. 18643

BlueKC Dental	In-Network Preferred-Care PPO Dentist	Out-of-Network Non-Participating Dentist
	Type I Services: <ul style="list-style-type: none"> Routine oral exam – two each calendar year Cleaning – two each calendar year Dental X-rays Fluoride treatment – two each calendar year to age 19 Sealant application on posterior tooth – one treatment per tooth every three years (to age 14) Fixed and removable space maintainer (initial appliance only) Emergency palliative treatment (pain relief) 	100%
Type II Services: <ul style="list-style-type: none"> Fillings Crown and inlay re-cementing (after 6 months of insertion) Bridge re-cementing (after 6 months of insertion) Tooth extraction (simple and surgical incl. wisdom teeth) 	80%	60%
Type III Services: <ul style="list-style-type: none"> Crowns Bridges Periodontal services – periodontal cleaning not combined with routine cleaning Endodontal services Full and partial dentures 	50%	50%
Type IV Services: <ul style="list-style-type: none"> Orthodontia (to age 19) and related procedures Orthodontia Lifetime Maximum 	60%	50%
Calendar Year Deductible	\$1,500	
Calendar Year Maximum	\$50 per person <i>Deductible waived for Types I and IV Services</i>	
Dependent Limiting Age	\$1,500	
	26	

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Provider Network

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Kansas City

Jackson County
Dental Benefit Plan Summary – Option 1
BuyUp Plan with Implants
 January 1, 2015

Res. 18643

BlueKC Dental	In-Network Preferred-Care PPO Dentist	Out-of-Network Non-Participating Dentist
	Type I Services: <ul style="list-style-type: none"> Routine oral exam – two each calendar year Cleaning – two each calendar year Dental X-rays Fluoride treatment – two each calendar year to age 19 Sealant application on posterior tooth – one treatment per tooth every three years (to age 14) Fixed and removable space maintainer (initial appliance only) Emergency palliative treatment (pain relief) 	100%
Type II Services: <ul style="list-style-type: none"> Fillings Crown and inlay re-cementing (after 6 months of insertion) Bridge re-cementing (after 6 months of insertion) Tooth extraction (simple and surgical incl. wisdom teeth) 	80%	60%
Type III Services: <ul style="list-style-type: none"> Crowns Bridges Periodontal services – periodontal cleaning not combined with routine cleaning Endodontal services Full and partial dentures 	50%	50%
Type IV Services: <ul style="list-style-type: none"> Orthodontia (to age 19) and related procedures Orthodontia Lifetime Maximum 	60%	50%
Calendar Year Deductible	\$1,500	
Calendar Year Maximum	\$50 per person <i>Deductible waived for Types I and IV Services</i>	
Dependent Limiting Age	\$1,500	
	26	

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Provider Network

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Kansas City

An independent licensee of the Blue Cross and Blue Shield Association

**Jackson County
Renewal Date: 1/1/2015**

Dental Benefits - Base Plan	Current		Renewal	
	In-Network	Non-Network	In-Network	Non-Network
Type I	100%	100%	100%	100%
Type II	80%	60%	80%	60%
Type III				
Type IV				
Deductible (Indiv/Family)*		\$50		\$50
Annual Maximum		\$1,500		\$1,500

*Deductible Waived For Type I Services

Dental Benefits - BuyUp Plan	Current		Renewal	
	In-Network	Non-Network	In-Network	Non-Network
Type I	100%	100%	100%	100%
Type II	80%	60%	80%	60%
Type III	50%	50%	50%	50%
Type IV	60%	50%	60%	50%
Deductible (Indiv/Family)*		\$50		\$50
Annual Maximum		\$1,500		\$1,500
Lifetime Maximum		\$1,500		\$1,500

*Deductible Waived For Type I/IV Services

Res. 18643



Jackson County

Renewal Date: 1/1/2015
 Funding: Cost Plus- 10%

Rates Page

Current Rates

	Preferred-Care Dental Base			Preferred-Care Dental BuyUp		
	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>
Employee	\$13.45	\$0.32	\$13.78	\$21.24	\$0.51	\$21.74
Employee & 1 Dependent	\$24.92	\$0.60	\$25.52	\$41.86	\$1.00	\$42.86
Family	\$44.89	\$1.08	\$45.96	\$69.88	\$1.68	\$71.56

Renewal

	Preferred-Care Dental Base			Preferred-Care Dental BuyUp		
	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>
Employee	\$12.78	\$0.43	\$13.22	\$21.24	\$0.72	\$21.96
Employee & 1 Dependent	\$23.67	\$0.80	\$24.48	\$41.86	\$1.42	\$43.28
Family	\$42.64	\$1.45	\$44.09	\$69.88	\$2.38	\$72.26

Rate Change

-5.0%

0.0%

Renewal - Option (Add Implants to BuyUp Plan)

	Preferred-Care Dental Base			Preferred-Care Dental BuyUp		
	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>	<u>BlueKC</u>	<u>ACA</u>	<u>Total</u>
Employee	\$12.78	\$0.43	\$13.22	\$22.55	\$0.77	\$23.32
Employee & 1 Dependent	\$23.67	\$0.80	\$24.48	\$44.44	\$1.51	\$45.95
Family	\$42.64	\$1.45	\$44.09	\$74.19	\$2.52	\$76.71

-5.0%

6.2%

Rate Caps:

2016 Base

If paid loss ratio is less than 80%, then rates will remain at the 2015 level. If paid loss ratio is greater than or equal to 80%, rate cap of +5% will apply.

2016 BuyUp

Rates will remain at the 2015 level.

2017 Base

If paid loss ratio is less than 80%, then rates will remain at the 2016 level. If paid loss ratio is greater than or equal to 80%, rate cap of +5% will apply.

2017 BuyUp

If paid loss ratio is less than 80%, then rates will remain at the 2016 level. If paid loss ratio is greater than or equal to 80%, rate cap of +5% will apply.