

Item Title: Multi-Year Contract for Dental Plan

Specific Action Requested:

That the Board of Commissioners authorizes the County Manager to negotiate and execute a multi-year contract with Delta Dental for the administration of self-funded dental insurance plans, subject to the terms and conditions acceptable to the County Attorney.

Item Summary:

Purpose: Multi-year contracts require the Board of Commissioners' approval.

Background: Staff conducted a request for proposal process for dental insurance plan administration. After review of proposals, staff recommends Delta Dental to provide dental insurance plan administration. The contract terms begin on January 1, 2023.

Board Goal: This action supports Great Government Goal 3: Maintain a culture that values and supports our employees.

Fiscal Impact: The fiscal impact of a renewed four-year contract with Delta Dental for dental benefit administration is estimated at \$600,000 for January 2023 through December 2026. Administration costs are included in the FY23 budget. No additional appropriations are needed in FY 2023. Additional increases impacting future budgets will be considered in FY24 budget development.

Additional Information:

Dental Plan Administrator

Staff issued a request for proposals for self-funded dental plan administration services and received proposals from Ameritas, Cigna, Delta Dental, Guardian, MetLife, United Healthcare, and BSI Companies. Proposals were evaluated for each vendor's service, benefits and programs, cost, network discounts, and network access. Staff recommends Delta Dental to provide self-funded dental plan administration services. The recommended contract length is 4 years.

Estimated costs for the administration of the plan over the four-year agreement is \$600,000. The FY23 budget was developed to forecast estimated increases in dental utilization. The increased cost associated with the proposed rates are included within the FY23 Adopted Budget.

Attachments:

None.