

## EXECUTIVE SUMMARY

### RFP Renewal 12-005V - Group Dental & Group Vision Benefits for School Board Employees

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#### DENTAL

The contract for the above-mentioned RFP was awarded to Humana Inc., and CompBenefits Insurance Company; Metropolitan Life Insurance Company; and Metropolitan Life Insurance Company and Safeguard Health Plans, Inc., by the School Board on June 21, 2011 (effective January 1, 2012, and expired December 31, 2014). The contracts allow for up to five (5) additional one-year renewal periods.

#### HUMANA/COMPBENEFITS

The terms of the Humana/CompBenefits contract resulted in no rate increases for the initial term of its contract (January 1, 2012, through December 31, 2014). This is the second renewal for Humana/CompBenefits (dental contract).

For services effective January 1, 2016, through December 31, 2016, Humana/CompBenefits DHMO Enhanced and PPO Enhanced plans were, potentially, subject to a rate increase of 4 percent and 9 percent, respectively. As a result of negotiations with Humana/CompBenefits and the Superintendent's Insurance & Wellness Advisory Committee, the following outcomes were achieved:

- 2.7 percent increase on the Enhanced PPO plan
- No rate increase on the Basic PPO plan
- No rate increase on the Basic DHMO plan
- No rate increase on the Enhanced DHMO plan

The monthly premium dental rates for Humana/CompBenefits for the period January 1, 2016, through December 31, 2016, are listed below:

	DHMO Basic	DHMO Enhanced	PPO Basic	PPO Enhanced
Employee Only	\$ 8.76	\$ 10.34	\$ 30.60	\$ 36.30
Employee Plus One	15.16	18.80	55.38	69.56
Employee Plus Family	20.32	25.30	82.86	108.82
Dual Spouse	11.58	15.00	55.38	69.56

**RFP Renewal****12-005V - Group Dental & Group Vision Benefits for School Board Employees****July 28, 2015 Board Agenda****METLIFE AND METLIFE/SAFEGUARD**

For services effective January 1, 2016, through December 31, 2016, MetLife originally requested a 3 percent increase on the DHMO Basic and Enhanced plans and 7.3 percent increase on the PPO Basic and Enhanced plans. This is the second renewal for MetLife and MetLife/Safeguard.

As a result of negotiations with MetLife and MetLife/Safeguard and the Superintendent's Insurance & Wellness Advisory Committee, the following outcomes were achieved:

- No rate increase on the DHMO Basic plan
- 3 percent rate increase on the DHMO Enhanced plan
- 6.3 percent rate increase on the PPO Basic plan
- 6.3 percent rate increase on the PPO Enhanced plan

The premium rates for MetLife/Safeguard (DHMO) plans for the period January 1, 2016, through December 31, 2016, are:

	<u>DHMO Basic</u>	<u>DHMO Enhanced</u>
Employee Only	\$ 10.76	\$ 15.10
Employee Plus One	18.44	26.10
Employee Plus Family	25.00	35.02
Dual Spouse	14.20	20.06

The premium rates for MetLife (PPO) for the period January 1, 2016, through December 31, 2016, are:

	<u>PPO Basic</u>	<u>PPO Enhanced</u>
Employee Only	\$ 37.48	\$ 46.18
Employee Plus One	75.02	92.42
Employee Plus Family	115.54	160.76
Dual Spouse	65.64	80.84

As a result of negotiations with each dental carrier and the Superintendent's Insurance & Wellness Advisory Committee (SIWAC) members, the SIWAC unanimously approved recommending the 2016 negotiated dental renewal rates on May 14, 2015.

Please note: Due to Collective Bargaining Agreement provisions, the District's cost does not increase beyond \$10.80 per covered employee, per month for these services; increases which exceed \$10.80 are applied to employee premium costs only.

**RFP Renewal**  
**12-005V - Group Dental & Group Vision Benefits for School Board Employees**  
**July 28, 2015 Board Agenda**

**VISION**

The contract for the District's vision insurance was awarded to Humana, Inc., and CompBenefits Insurance Company and Solstice Benefits, Inc., on June 21, 2011 (effective January 1, 2012, and expired December 31, 2014). The terms of the contract allows for up to five (5) additional one-year renewal periods. This is the first renewal for Humana/CompBenefits and Solstice Benefits, Inc.

The terms of the contracts held both Humana/CompBenefits and Solstice Benefits, Inc. to fixed rates through the end of 2015 and 2016 respectively.

**HUMANA/COMPBENEFITS**

The monthly premium rates for Humana/CompBenefits for the period January 1, 2016, through December 31, 2016, are listed below:

	<u>Vision Basic</u>	<u>Vision Enhanced</u>
Employee Only	\$ 3.32	\$ 4.78
Employee Plus One	7.34	10.56
Employee Plus Family	12.54	18.10

**SOLSTICE BENEFITS, INC.**

The monthly vision premium rates for Solstice Benefits, Inc., for the period January 1, 2016, through December 31, 2016, are listed below:

	<u>Vision Basic</u>	<u>Vision Enhanced</u>
Employee Only	\$ 3.30	\$ 4.26
Employee Plus One	7.74	10.02
Employee Plus Family	12.34	16.04

Through negotiations with the vision vendor, Humana/CompBenefits and the Superintendent's Insurance & Wellness Advisory Committee (SIWAC) members, the SIWAC members unanimously approved the recommendation of the negotiated 2016 renewal rates on May 14, 2015. As previously noted, in accordance with the initial terms of the Solstice contract, rates are fixed through December 31, 2016.