

Executive Summary
RFP Amendments and Renewals to Agreements
12-005V - Group Dental & Group Vision Benefits for School Board Employees

DENTAL

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

HUMANA/COMPBENEFITS (Dental)

The terms of Humana/CompBenefits contract resulted in no rate increases for the initial term of their contract, January 1, 2012 – December 31, 2014. This is the first renewal for the Humana/CompBenefits (Dental contract).

For services effective January 1, 2015 – December 31, 2015, all Humana/CompBenefits plans were potentially subject to a rate increase of up to 12%, in accordance with the initial contract provisions. As a result of negotiations with Humana/CompBenefits and the Superintendent's Insurance Advisory Committee, the following outcomes were achieved:

- 10% negotiated rate increase on the Enhanced PPO plan;
- 0% rate increase on the Basic PPO plan;
- 0% rate increase on the Enhanced DHMO plan; and
- 0% rate increase on the Basic DHMO plan.

The monthly premium Dental rates for **Humana/CompBenefits**, effective January 1, 2015 through December 31, 2015, are listed below:

	DHMO Basic	DHMO Enhanced	PPO Basic	PPO Enhanced
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Employee Only	\$ 8.76	\$ 10.34	\$ 30.60	\$ 35.36
Employee Plus One	15.16	18.80	55.38	67.74
Employee Plus Family	20.32	25.30	82.86	105.96
Dual Spouse	11.58	15.00	55.38	67.74

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RFP 12-005 – Group Dental & Group Vision Benefits for School Board Employees

METLIFE & METLIFE/SAFEGUARD (Dental)

For services effective January 1, 2015 – December 31, 2015, MetLife originally requested a 2% increase on the DHMO products; 12% increase on the PPO Basic Plan, and 4.3% on the PPO Enhanced Plan; or a premium increase of 5.4% across both PPO Plans. This is the third amendment and first renewal for MetLife & MetLife/SafeGuard (Dental contracts).

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

- 1% negotiated rate reduction on the Basic DHMO Plan;
- 1% negotiated rate reduction on the Enhanced DHMO plan;
- 3.4% negotiated rate increase on the Basic PPO plan; and
- 3.4% negotiated rate increase on the Enhanced PPO plan

The monthly premium rates for **MetLife/SafeGuard (DHMO)**, effective January 1, 2015 through December 31, 2015, are as follows:

	<u>DHMO (Basic)</u>	<u>DHMO (Enhanced)</u>
Employee Only	\$ 10.76	\$ 14.66
Employee Plus One	18.44	25.34
Employee Plus Family	25.00	34.00
Dual Spouse	14.20	19.48

The monthly premium rates for **MetLife (PPO)**, effective January 1, 2015 through December 31, 2015, are as follows:

	<u>PPO (Basic)</u>	<u>PPO (Enhanced)</u>
Employee Only	\$ 35.26	\$ 43.44
Employee Plus One	70.58	86.94
Employee Plus Family	108.70	151.24
Dual Spouse	61.76	76.06

As a result of negotiations with each Dental carrier and the Superintendent's Insurance Advisory Committee (SIAC), the SIAC unanimously approved the 2015 negotiated Dental renewal rates on May 14, 2014, to submit to the Board for review and approval.

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

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RFP 12-005 – Group Dental & Group Vision Benefits for School Board Employees

VISION

The contract for the District's Vision insurance was awarded to Humana/CompBenefits and Solstice Benefits, Inc., on June 21, 2011, for services effective January 1, 2012, and the contract expires December 31, 2014. The terms of the contract includes five (5) additional one-year renewals. This is the first renewal for Vision services.

The terms of the contracts include no rate increases through December 31, 2015 and December 31, 2016, respectively.

HUMANA/COMPBENEFITS (Vision)

The monthly Vision premium rates for **Humana/CompBenefits**, effective January 1, 2015 through December 31, 2015, are as follows:

	Vision (Basic)	Vision (Enhanced)
Employee Only	\$ 3.32	\$ 4.56
Employee Plus One	7.34	10.06
Employee Plus Family	12.54	17.24

SOLSTICE BENEFITS, INC. (Vision)

The monthly Vision premium rates for **Solstice Benefits, Inc.**, effective January 1, 2015 through December 31, 2015, are as follows:

	Vision (Basic)	Vision (Enhanced)
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 carriers and the Superintendent's Insurance Advisory Committee (SIAC), the SIAC unanimously approved the previously negotiated 2015 renewal rates on May 14, 2014, to submit to the Board for review and approval.

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