



BOARD OF DIRECTORS

ANDREAS BORGEAS
JUDITH CASE
MIKE ENNIS
PHIL LARSON
DEBORAH POCHIGIAN
PETE VANDER POEL
STEVE WORTHLEY

Meeting Location:
Tulare County Board of Supervisors Chambers
2800 West Burrel
Visalia, CA 93921
September 6, 2013 8:00 AM

Meeting Location:
County of Fresno Board of Supervisors, Hall of Records
2281 Tulare St, Room 301
Fresno, CA 93721
September 6, 2013 8:00 AM

AGENDA DATE: September 6, 2013

ITEM NUMBER: 8

SUBJECT: Approve Delta Dental Plan Renewal

REQUEST(S): Approve the acceptance of renewal proposal from Delta Dental for the 2014 Plan year and Authorize Chair to Execute Agreements pending acceptance of County of Fresno and Tulare and approval of SJVIA staff and Counsel.

DESCRIPTION:

At the July 20, 2012 Meeting, the Board recommended exploring efficiencies that could be gained through consolidation of dental plans between Fresno and Tulare Counties as part of the SJVIA. For Plan Year 2013, SJVIA entered into an agreement with Delta for PPO and DHMO (Dental HMO) coverages. The agreement included “not to exceed” provision to the County of Fresno and Tulare’s rates for 2014, capping their renewal at 10%.

The County of Fresno and Tulare maintained separate PPO benefits and rates in the SJVIA but the rate action is applied uniformly to both. However, the County of Tulare was subject to a 1% penalty for leaving the CSAC EIA Delta program for 2013. This penalty does not apply for 2014 or beyond. As a result the 2014 PPO rates for Tulare are a 0.8% increase while Fresno is 1.9%.

Both Counties share the same benefits and rates for the lower cost DHMO plan. The 2014 rates for the DHMO are increasing by 5%. Included in the renewal for both PPO plans as well as the DHMO plan is a “not to exceed” provision capping the maximum increase for 2015 at 10%. Additionally, all

AGENDA: San Joaquin Valley Insurance Authority

DATE: September 6, 2013

rates include accommodation for projected costs associated with the Affordable Care Act.

Additionally, SJVIA Member entities may choose to modify their dental benefits to adjust rates. These considerations are made at the member entity level and do not require SJIVA Board action.

FISCAL IMPACT/FINANCING:

Annual premium increasing by \$123,593 for the SJVIA consisting of County of Tulare (+\$16,812) and County of Fresno (+\$106,781).

ADMINISTRATIVE SIGN-OFF:



Paul Nerland
SJVIA Manager



Rhonda Sjostrom
Interim SJVIA Assistant Manager

**BEFORE THE BOARD OF DIRECTORS
SAN JOAQUIN VALLEY INSURANCE
AUTHORITY**

IN THE MATTER OF Approve Delta Dental Plan Renewal

RESOLUTION NO. _____
AGREEMENT NO. _____

UPON MOTION OF DIRECTOR _____, SECONDED BY
DIRECTOR _____, THE FOLLOWING WAS ADOPTED BY
THE BOARD OF DIRECTORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

BY: _____

* * * * *

Approve the acceptance of renewal proposal from Delta Dental for the 2014
Plan year and Authorize Chair to Execute Agreements pending acceptance of
County of Fresno and Tulare and approval of SJVIA staff and Counsel.