



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 11/25/2014

Agenda Placement: 6T

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Heather Ruiz for Suzanne Mason - Director
Human Resources

REPORT BY: Olivia Soria, BENEFITS ADMINISTRATOR - 253-4945

SUBJECT: Amendment to Delta Dental Agreement to Amend Rate Effective January 1, 2015

RECOMMENDATION

Director of Human Resources requests approval of and authorization for the Chairman to sign Amendment No. 5 to Agreement No. 6937 with Delta Dental of California, increasing the monthly premium rate for the DeltaCare Dental Health Maintenance Organization (DHMO) services from \$42.62 to \$44.95 effective January 1, 2015 through December 31, 2016.

EXECUTIVE SUMMARY

Napa County contracts with Delta Dental to provide dental services for County employees. One of the dental plans the County offers to its employees is DeltaCare Dental Health Maintenance Organization (DHMO) plan. After completing the annual review of the County's dental claims experience, Delta Dental determined that the current monthly premium rate for the DeltaCare DHMO plan would need to be increased by approximately 5% from \$42.62 to \$44.95 per employee-member.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Departmental budgets - group insurance. There is sufficient appropriation authority to cover the increase for FY 14-15 due to the small population of employees in the Delta Dental DHMO plan. The increase in cost for the County would be less than \$700 for the remainder of the Fiscal Year.

Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This is a negotiated employee benefit, and the contract amendment is required to enact the rate increase.
Is the general fund affected?	Yes
Future fiscal impact:	Employee Dental Benefits is an ongoing expense, and will be budgeted accordingly in departmental budgets in future fiscal years.
Consequences if not approved:	The County would not be able to offer a DHMO plan to its employees.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Napa County contracts with Delta Dental to provide dental services for County employees. One of the dental plans the County offers to its employees is DeltaCare Dental Health Maintenance Organization (DHMO) plan. After completing the annual review of the County's dental claims experience, Delta Dental determined that the current monthly premium rate for the DeltaCare DHMO plan would need to be increased by approximately 5% from \$42.62 to \$44.95 per employee-member. Due to the small population of employees in the Delta Dental DHMO plan, the increase in cost for the County would be less than \$700 for the remainder of the Fiscal Year.

The Director of Human Resources requests approval of and authorization for the Chairman of the Board of Supervisors to sign Amendment No. 5 to Agreement No. 6937 with Delta Dental of California increasing the monthly premium rate for DeltaCare DHMO services from \$42.62 to \$44.95 effective January 1, 2015 through December 31, 2016.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi