



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 12/18/2018

Agenda Placement: 6S

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Nikki Salas - Director
Human Resources
REPORT BY: Olivia Soria, Benefits Administrator - 253-4945
SUBJECT: Amendment to Delta Dental Agreement to Amend Rate Effective January 1, 2019

RECOMMENDATION

Director of Human Resources requests approval of and authorization for the Chair to sign Amendment No. 7 to Agreement No. 170688B with Delta Dental of California, increasing the monthly premium rate for the DeltaCare Dental Health Maintenance Organization (DHMO) services from \$47.20 to \$48.62 effective January 1, 2019 through December 31, 2019.

EXECUTIVE SUMMARY

Napa County contracts with Delta Dental to provide dental services to County employees. One of the dental plans the County offers to employees is the 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 needs to be increased by approximately 3% from \$47.20 to \$48.62 per employee-member. The DeltaCare DHMO plan is a fully insured dental plan.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Departmental budgets - group insurance. Due to the small population of employees enrolled in the Delta Dental DHMO plan, the increase in cost for the County would be less than \$1,000 per calendar 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 of California to provide dental services to County employees. One of the dental plans the County offers to employees is the 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 needs to be increased by approximately 3% from \$47.20 to \$48.62 per employee-member. Due to the small population of employees (40 of the 1424 employees) enrolled in the Delta Dental DHMO plan and with the County paying the full cost of the premium for dental coverage, the increase in cost for the County would be less than \$1,000 per calendar year.

The Director of Human Resources requests approval of and authorization for the Chair of the Board of Supervisors to sign Amendment No. 7 to Agreement No. 170688B with Delta Dental of California increasing the monthly premium rate for DeltaCare DHMO services from \$47.20 to \$48.62 effective January 1, 2019 through December 31, 2019.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Helene Franchi