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Chandler - Arizona
Where Values Make The Difference

MEMORANDUM

DATE: September 24, 2012

TO: Mayor and Council

THRU: Rich Dlugas, City Manager *RD*
Debra Stapleton, Director of Human Resources Division *JAS*

FROM: Valerie F. Hernández, Benefit Programs Supervisor *VFH*

SUBJECT: Recommendation for Approval of Delta Dental Plan of Arizona, Inc. Agreement

RECOMMENDATION: Approve and authorize the Mayor and Council to approve the one year extension to the agreement between the City of Chandler and Delta Dental Plan of Arizona, Inc. for benefit plan year 2013, effective January 1, 2013.

BACKGROUND: City staff reviews the employee benefits package each year with the assistance of an employee benefits consulting firm. Delta Dental Plan of Arizona, Inc. has provided premier dental services to employees since 2002. We continue to look for ways to improve the overall wellbeing of our employees and their dependents to include dental plan services ranging from general teeth cleanings to orthodontia. We recently surveyed the City's seven benchmark cities and determined that our orthodontia allowance is lower than the majority of the benchmark cities. As a result the maximum lifetime coverage for orthodontic services will increase from \$1,500 to \$2,000 and children and adults of any age will receive orthodontic services effective January 1, 2013. The changes noted will not affect the premiums of which both the City and employee pay. The following schedule provides the current premium and cost share for the City and the employee and will continue to be in effect for plan year 2013.

Dental		Full Rate Monthly Premium	City Pays	Employee Pays
Delta Dental	Employee only	\$51.00	\$51.00	\$00.00
	Employee + 1	\$83.00	\$58.00	\$25.00
	Employee + 2 or more	\$135.00	\$67.50	\$67.50

PROPOSED MOTION: Move to approve and authorize the Mayor and Council to approve the one year extension to the agreement between the City of Chandler and Delta Dental Plan of Arizona, Inc. for benefit plan year 2013, effective January 1, 2013.

**CALENDAR YEAR 2013
AMENDMENT TO CONTRACT #1193
BETWEEN DELTA DENTAL PLAN OF ARIZONA, INC.
AND THE CITY OF CHANDLER
FOR A DENTAL SERVICE PLAN**

This Calendar Year 2013 Amendment is made and entered this 29th day of August, 2012 to the *Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler* for a dental service plan dated January 1, 2002.

WHEREAS, the City of Chandler and Delta Dental Plan of Arizona, Inc. entered into an Employer Group Dental Contract dated January 1, 2002 ("Contract"); and

WHEREAS, the City of Chandler and Delta Dental Health Plan of Arizona, Inc. have extended this Contract since 2002, through December 31, 2012, subject to the terms and conditions of the original Contract, as amended by *Calendar Year 2012 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler for a Dental Service Plan*, incorporated herein by this reference; and

WHEREAS, the City and Delta Dental Plan of Arizona, Inc. want to amend this Contract to extend it for the period from January 1, 2013 through December 31, 2013 subject to the original terms and conditions of the Contract except: 1) as amended by *Calendar Year 2012 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler for a Dental Service Plan*; and 2) as amended by Attachment 1 to change certain benefits as set forth in item 2 below.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein and other good and valuable consideration, the parties do agree as follows:

1. The *Contract #1193 Between the City of Chandler and Delta Dental Plan of Arizona, Inc.* dated January 1, 2002 as amended by *Calendar Year 2012 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler for a Dental Service Plan* is incorporated herein by this reference.

2. As of January 1, 2013, the *Contract #1193 Between the City of Chandler and Delta Dental Plan of Arizona, Inc.* dated January 1, 2002 as amended by *Calendar Year 2012 Amendment to Contract #1193 Delta Dental Plan of Arizona, Inc. and the City of Chandler for a Dental Service Plan* shall remain in full force and effect except that a) the lifetime orthodontic benefits (previously \$1,500.00) shall be \$2,000.00; and b) limitation of coverage for orthodontic services to adults and children age eight and older will no longer apply, and this coverage will be available to adults and children of any age who are eligible for benefits under the Dental Service Plan.

3. The Contract is hereby amended to extend the term for the period from January 1, 2013 through December 31, 2013.

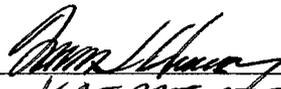
4. Except for the provisions amended pursuant to Items 1, 2 and 3 above, the Contract as amended by the *Calendar Year 2012 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler for a Dental Service Plan* shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this *Calendar Year 2013 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler for A Dental Service Plan* to be duly executed this ____ day of _____, 2012.

CITY OF CHANDLER,
an Arizona municipal corporation

DELTA DENTAL PLAN OF
ARIZONA, INC.

By: _____
Mayor

By: 
Title: VICE PRESIDENT OF SALES

APPROVED AS TO FORM:

ATTEST: (If corporation)

City Attorney *CH for*

Secretary

ATTEST:

City Clerk