

# 25

SEP 11 2014



**MEMORANDUM**

**DATE:** September 11, 2014

**TO:** Mayor and Council

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

**FROM:** Rae Lynn Nielsen, Benefits & Labor Relations Administrator *RN*

**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 2015, effective January 1, 2015.

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 with having minimal or no impact to the premiums of which both the City and employee pay. We were effective in ensuring that the following schedule that provides the premium and cost share for the City and the employee will continue to be in effect for plan year 2015.

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

The administrative rate remains at \$4.89 per month per member. The administrative rate is paid for by the City's self-funded dental plan.

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 2015, effective January 1, 2015.

**CALENDAR YEAR 2015  
AMENDMENT TO CONTRACT #1193  
BETWEEN DELTA DENTAL PLAN OF ARIZONA, INC.  
AND THE CITY OF CHANDLER  
FOR A DENTAL SERVICE PLAN**

This *Calendar Year 2015 Amendment to Contract #1193 Between Delta Dental Plan of Arizona, Inc. and the City of Chandler For a Dental Service Plan* ("2015 Amendment") is made and entered this 11 day of November, 2014 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, 2014, subject to the terms and conditions of the original Contract, as amended by *Calendar Year 2014 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, 2015 through December 31, 2015 subject to the original terms and conditions of the Contract except: 1) as amended by *Calendar Year 2014 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 the administrative fees 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 2014 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, 2015, the *Contract #1193 Between the City of Chandler and Delta Dental Plan of Arizona, Inc.* dated January 1, 2002 as amended by *Calendar Year 2013 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 as it is amended as follows:

(A) **Appendix B, Summary of Contractual Components, Administrative Fees**, is hereby amended as follows:

Administrative fees for the period of January 1, 2015 through December 31, 2015 shall be:

Employee Only	\$4.89
Employee Plus One Dependent	\$4.89
Employee Plus Two or More Dependents	\$4.89

3. The Contract is hereby amended to extend the term for the period from January 1, 2015 through December 31, 2015.

4. Except for the provisions amended pursuant to Items 1, 2, and 3 above, the Contract as amended by the *Calendar Year 2014 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 2015 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 11 day of August, 2014.

Employee Dental Plan Provided  
By City of Chandler:

By: \_\_\_\_\_  
Mayor  
Date: \_\_\_\_\_

CITY OF CHANDLER,  
an Arizona municipal corporation

By: \_\_\_\_\_  
Mayor  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney *CH*

ATTEST:  
\_\_\_\_\_  
City Clerk

DELTA DENTAL PLAN OF  
ARIZONA, INC.

By: *Patricia K. Larson*  
Title: VP, Sales & Marketing

ATTEST: (If corporation)

*Anne W. Bishop*  
Secretary  
*general Counsel*



www.deltadentalaz.com

May 5, 2014

Robin Reeves  
Buck Consultants  
3200 N Central Ave #2200  
Phoenix AZ 85012

Re: DELTA DENTAL PLAN RENEWAL -- GROUP #1193  
Contract Term: January 1, 2015 -- December 31, 2015

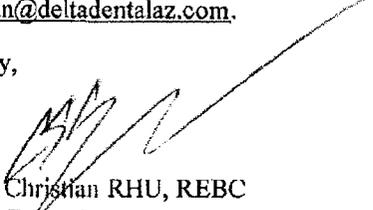
Dear Robin,

Please find enclosed, Delta Dental of Arizona's Annual Dental Plan Management Reports for the City of Chandler. As a reminder, effective January 1, 2015, the City of Chandler, begins the second year of their two year administrative fee guarantee eff January 1, 2014.

	Claims	IBNR	Admin	Commission	Total
Employee:	\$40.60	\$2.54	\$4.89	\$0.00	\$48.03
Employee + 1:	\$84.25	\$5.27	\$4.89	\$0.00	\$94.41
Employee +2 or more:	\$143.45	\$8.97	\$4.89	\$0.00	\$157.31

Should you have any questions or concerns, please do not hesitate to call me at (602) 588-3930 or via email at [cchristian@deltadentalaz.com](mailto:cchristian@deltadentalaz.com).

Sincerely,



Craig S. Christian RHU, REBC  
Account Executive

CSC/II

Delta Dental of Arizona  
5656 West Talavi Blvd.  
Glendale, AZ 85306

Telephone: 602.938.3131  
In Arizona: 800.352.6132  
Facsimile: 602.588.3636