

Executive Summary

Board of Governors Meeting, September 22, 2021

Dental Insurance Coverage

Topic

This Dental Insurance Coverage Action Item will be presented at the September 22, 2021, Citizens Board of Governors Meeting.

Recommended Vendor: MetLife

History

MetLife is the incumbent provider under a one-year current contract with Citizens for Dental Insurance Coverage concludes on December 31, 2021. The new contract with MetLife is the recommendation for Citizens by its Benefits Consultant, Mercer Health & Benefits, LLC.

Mercer conducted a survey with several national carriers for these types of coverages. This showed increases between 3%-5% for policies starting January 1, 2022. Since MetLife has agreed to hold their rates for 2022, Mercer recommends that the MetLife coverages are the best option at this time for Citizens.

Estimated total cost of Dental Insurance Coverage through MetLife for the contract period of January 1, 2022 through December 31, 2022, is approximately \$977,000.

Citizens and its Employees both share in the contribution level cost at 85/15 percent:

- Citizens estimated cost \$828,000
- Employees estimated cost \$149,000

The actual total amount expended will be a function of employee enrollment in the MetLife Dental plan.

Recommendation

It is recommended that the Board of Governors:

- a) Approve the one-year contract with MetLife from January 1, 2022, through December 31, 2022, for the coverage listed above at a total estimated cost of \$977,000 as described in this Action Item; and
- b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.

ACTION ITEM

- Contract – New Committee or Board Minutes
 Contract – Amendment of Contract Terms Product Changes
 Contract – Additional Spend Other

Contract ID	Dental Insurance Coverage Contract Number: 2020500200 Recommended Vendor: MetLife
Budgeted Item	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Funding to be included in the Annual Operating Budget for each respective contract's term year from January 1, 2022 – December 31, 2022.
Procurement Method	As a fully insured product offering offered to Citizens employees and families, this coverage is placed through our competitively procured insurance broker, Mercer Health & Benefits, LLC (Mercer). The incumbent provider of the Dental Insurance Coverage is MetLife whose current contract expires on December 31, 2021. Mercer's expertise in market rates and trends recommends this insurer with these rates. These quotes estimate the amount for one-year coverage for Dental Insurance.
Contract Amounts	Estimated cost of Dental Insurance Coverage through MetLife for the contract period of January 1, 2022, through December 31, 2022, is approximately \$977,000. Citizens and its Employees both share in the contribution level cost at 85/15 percent: <ul style="list-style-type: none">• Citizens estimated cost \$828,000• Employees estimated cost \$149,000 Total Contract Value MetLife \$977,000
Contract Term(s)	The requested one-year contract terms will be effective from January 1, 2022, through December 31, 2022. The contract is requested to be continued with the incumbent Vendor, as recommended by Mercer.
Purpose/Scope	This Action Item requests approval for a renewal contract award for MetLife to provide dental insurance needed for the Preferred Provider

	<p>Organization (PPO) dental plan program to be offered to Citizens' employees, effective January 1, 2022.</p> <p>Employee participation will be determined during the 2022 open enrollment period and total cost will be a function of the enrollment in the MetLife Dental plan.</p>
Recommendation	<p>This Dental Insurance Coverage Action Item will be presented at the September 22, 2021 Citizens Board of Governors' meeting.</p> <p>Recommendation:</p> <ul style="list-style-type: none">a) Approve a contract with MetLife to provide dental insurance for a one-year term, for an estimated amount of \$977,000, depending upon employee enrollment, as set forth in this Action Item; andb) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
CONTACTS	<p>Violet Bloom, Chief Human Resources Officer James Taylor, Director, Total Rewards</p>