



Legislation Text

File #: 18-0770, **Version:** 1

Resolution to Approve the Amendment and Renewal of the City's Contract with Delta Dental Plan of Michigan, Inc., for Claims Administration Services for the City's Dental Plan, and to Authorize the City Administrator to Execute the Necessary Documentation (\$850,000.00 per year)

The attached Resolution authorizes the City Administrator to execute the amendment and renewal of the Delta Dental Service Contract for 2019 and 2020, and authorizes related payments to Delta Dental Plan of Michigan, Inc. to administer the City's Dental Plan and pay associated costs of claims.

Budget/Fiscal Impact: Required funding for the portion of contract term from July 1, 2018 through December 31, 2020 will be budgeted in the FY19 & FY20 budget. The City estimates that benefit coverage levels will remain the same for the the last half of FY19 and the first half of FY20. The estimated annual cost of this employee benefit is \$850,000 per year.

The City is in a current contract with Delta Dental through 12/31/18. Employee labor contracts and the employee benefit plans establish the level of dental coverage for City employees. There is no change in the level of dental coverage with this renewal and payment authorization.

Prepared By: Jessica Hull, Employee Benefits Supervisor

Reviewed By: Robyn Wilkerson, Director of Human Resources and Labor Relations

Approved By: Howard S. Lazarus, City Administrator

Whereas, The City provides dental benefits to City employees and their eligible dependents in accordance with the employee benefits program and various labor contracts at an estimated annual cost of approximately \$850,000.00 per year;

Whereas, The City currently contracts with Delta Dental Plan of Michigan, Inc. ("Delta Dental") to act as claims administrator for the City's self-funded dental benefit plan, which includes initial payment of costs of claims;

Whereas, The City's current Delta Dental Service Contract is due for renewal on January 1, 2019;

Whereas, The Human Resources Services recommends renewal of the Delta Dental Service Contract through the end of 2020;

Whereas, The City Attorney has recommended the proposed amendment to such contract for the renewal term;

Whereas, Funds will be budgeted in the FY19 & FY20 budget, to cover projected costs associated with the provision of the dental benefit plan; and

Whereas, Delta Dental of Michigan complies with the requirements of the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council approve the contract amendment and renewal with Delta Dental Plan

of Michigan, Inc. through December 31, 2020 to administer the City's self-funded dental benefit plan;
and

RESOLVED, That the City Administrator be authorized and directed to execute the necessary contract documentation after approval as to form by the City Attorney and take any further necessary administrative actions to implement this resolution.