



Legislation Text

File #: 11-0600, **Version:** 1

Resolution to Approve a Change to the Existing Contract with Delta Dental of Michigan, Inc. to Provide Dental Coverage to City Employees and Their Dependents and Authorize the City Administrator to Execute the Necessary Documentation (\$850,000.00)

The attached Resolution authorizes the City Administrator to execute a change of the dental coverage services contract with our dental care service provider. The estimated cost of this employee benefit is \$850,000.00. The funding arrangement is being changed from self-funded to fully insured for an estimated savings of \$68,000.00 until June 30, 2012.

Employee labor contracts and employee benefit plans establish the level of dental coverage for City employees. There is no change in the level of dental coverage with this contract change.

Delta Dental of Michigan received Human Rights approval on May 6, 2011.

The above referenced cost projections are in accordance with the approved Fiscal Year 2011 - 2012 budget, barring any unforeseen circumstances. The benefit coverage levels will remain the same for the Fiscal Year 2011-2012 as currently underwritten.

Prepared By: Kelly Beck, Employee Benefits Supervisor

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

Approved By: Tom Crawford, Interim City Administrator

Whereas, The City provides dental care coverage 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;

Whereas, The City's existing contract with Delta Dental of Michigan is due for renewal on July 1, 2012;

Whereas, There is a savings to the City of \$68,000.00 to make this contract change with Delta Dental of Michigan;

Whereas, The Human Resources Services recommends the changes of this contract from a self-funded to a fully insured plan;

Whereas, Funds have been appropriated in the Fiscal Year 2011 - 2012 budget to cover projected costs associated with the provision of dental care coverage; and

Whereas, Delta Dental of Michigan received Human Rights approval on May 6, 2011;

RESOLVED, That City Council approve the change to fully insured from self-funded in the existing contract for the period January 1, 2011 to June 30, 2012, with Delta Dental of Michigan to provide dental care coverage to City employees and their eligible dependents; 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.