



## Legislation Text

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**File #: 3088-2016, Version: 1**

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### **BACKGROUND:**

As a result of a Request For Proposal process in accordance with Section 329.14 of the Columbus City Code, four dental insurance bid responses were reviewed by the City's Evaluation Committee, comprised of five members.

Each proposal was evaluated on the following criteria as required by section 329.14: competency to perform, quality and feasibility of the offerors technical proposal, ability to perform the required service competently, past performance, and the cost structure of the proposal. Delta Dental Plan of Ohio, Inc. is recommended as the dental benefits administrator. Delta Dental Plan of Ohio, Inc. has provided excellent services for the City of Columbus and, a guaranteed three year administrative rate of \$3.60 per employee per month. Delta Dental Plan of Ohio, Inc. offers the ability to duplicate negotiated benefits.

The contract is for a three-year period, subject to annual appropriation; this ordinance represents the first year. The contract is effective February 1, 2017 until January 31, 2018.

To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the dental insurance program is necessary to insure continuation of employee insurance coverage. Cost estimates were based on 2015-16 trust fund expenditures using a two year average of actual city utilization, expected changes due to union negotiations, as well as input from insurance carriers.

**Emergency action** is requested to ensure the dental insurance program for city employees is able to commence as soon as contractually possible, thereby maintaining continuity of service.

Contract compliance number is 31-0685339

**FISCAL IMPACT:** To enter into contract with Delta Dental Plan of Ohio, Inc. to establish the maximum obligation liability, and to authorize the expenditure of \$8,097,365 for dental plan administration services from February 1, 2017 through January 31, 2018. Funding is available in the 2017 budget for this contract. This ordinance is an emergency measure to ensure continued insurance coverage as negotiated by union contracts. Contingent on the passage of ordinance 3081-2016.

To authorize the Human Resources Director to enter into contract with Delta Dental Plan of Ohio, Inc. to provide all eligible employees dental insurance coverage from February 1, 2017 through January 31, 2018; to authorize the expenditure of \$8,097,365.00 from the Employee Benefits Fund, or so much thereof as may be necessary, to pay the costs of said contract; and to declare an emergency. (\$8,097,365.00)

**WHEREAS**, it is in the best interest of the City of Columbus to enter into contract with Delta Dental Plan of Ohio, Inc. to provide all eligible employees dental insurance from February 1, 2017 through January 31, 2018; and

**WHEREAS**, it is necessary to authorize the expenditure of up to \$8,097,365, or so much thereof as may be necessary, to pay contract costs for dental insurance services; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Human Resources in that it is immediately necessary to enter into a contract with Delta Dental Plan of Ohio, Inc. for the preservation of the public health, peace, property, safety, and welfare;

Now, Therefore,

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Human Resources Director is hereby authorized to enter into contract with Delta Dental Plan of Ohio, Inc. to provide dental insurance to all eligible employees from February 1, 2017 through January 31, 2018.

**SECTION 2.** That the expenditure of \$8,097,365, or so much thereof as may be necessary, for dental insurance coverage is hereby authorized to be expended as follows:

Department: 4602 | Fund: 5502 | Subfund: 550205 | Program: RM005 | Amount: \$350,000

Department: 4602 | Fund: 5502 | Subfund: 550205 | Program: RM006 | Amount: \$7,747,365

**SECTION 3.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**SECTION 4.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage, if the Mayor neither approves nor vetoes the same.