



Legislation Text

File #: 0051-2021, **Version:** 1

Funding for dental insurance is necessary to insure continuation of the city's dental insurance program. Insurance programs must be maintained in accordance with the negotiated labor contracts. This ordinance authorizes the Human Resources Director to enter into contract with Delta Dental Plan of Ohio, Inc. and to provide funding from February 1, 2021 through January 31, 2022 for this program.

In 2020, the Human Resources Department/Health and Wellness Management, with the assistance and consultation of the benefits consulting firm, bid out for dental services for city employees, via RFP 015452. The city dental plan services approximately 24,000 active benefit enrolled employees, their dependents, and COBRA participants. The City currently administers the dental plan on a self-insured basis and will continue to do so.

The RFP team reviewed 7 dental service program provider proposals and interviewed the top two finalists. After careful consideration and evaluation, Delta Dental Plan of Ohio, Inc., the incumbent, was selected as being the lowest and best bid for dental services for the city.

The effective date for the contract is February 1, 2021; the contract term is 3 years, with two (2) one (1) year renewals. This represents year one of the three year contract.

Cost estimates for 2021 claims and administrative fees are based on 2019-20 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 and from the City's employee benefits consultant.

EMERGENCY DESIGNATION: 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.

FISCAL IMPACT: Funding for this contract is budgeted and available in the 2021 Employee Benefits Fund. This ordinance is contingent on the passage of the 2021 insurance appropriation ordinance 0020-2021.

To authorize the Human Resources Director to contract with Delta Dental Plan of Ohio, Inc. to provide all eligible employees dental insurance coverage from February 1, 2021 through January 31, 2022; to authorize the expenditure of \$7,750,000.00 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. (\$7,750,000.00)

WHEREAS, it is in the best interest of the City of Columbus to contract with Delta Dental Plan of Ohio, Inc. to provide all eligible employees dental insurance from February 1, 2021 through January 31, 2022; and

WHEREAS, it is necessary to authorize the expenditure of up to \$7,750,000, 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 authorize the Director to enter into contract with Delta Dental Plan of Ohio, Inc. to maintain continuity of service, 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, 2021 through January 31, 2022.

SECTION 2. That the expenditure of \$ \$7,750,000, or so much thereof as may be necessary, for dental insurance coverage is hereby authorized per the accounting codes in the attachment to this ordinance.

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.