

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

117



FROM: Human Resources Dept.

SUBMITTAL DATE:
April 8, 2004

SUBJECT: Expanded Dental Provider Network for Local Advantage Plus Dental Plan

RECOMMENDED MOTION: 1) Approve and ratify the attached First Dental Health Network Lease and Marketing Agreement to provide expanded dental network services for the Local Advantage Plus Dental Plan, effective January 1, 2004; 2) Authorize the chairperson to sign three (3) copies of the agreement; and 3) Retain on (1) copy and return two (2) copies of the executed agreement to Human Resources for distribution.

BACKGROUND: Local Advantage Plus dental plan, established in 1999, is one of the County's self-insured dental plan options and a competitive alternative to the County's other dental plans. However, access to this plan was limited to a small percentage of employees because the dentist network is geographically limited. It included only the Greater Riverside area, the general Palm Springs area, and a few other dental offices within the county boundaries. There were only one or two dentists participating in San Bernardino County, where many employees reside. In order to make this dental option more attractive to a larger number of County employees in 2004, Aon Consulting, our independent benefits consultants, researched a strategy for the potential expansion of the local network, both in Riverside and San Bernardino counties.

(continued on page 2)

Ronald W. Komers
Assistant County Executive Officer/
Human Resources Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ Based on claims	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ Based on claims	Budget Adjustment:	No
	Annual Net County Cost:	\$ Based on claims	For Fiscal Year:	2003/2004

SOURCE OF FUNDS: Employee Dental Plan Premium Payroll Deductions.	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

District:
All

Agenda Number:

3 24

COUNTY OF RIVERSIDE
CLERK OF THE BOARD
EXECUTIVE

MAY 11 2004
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Background continued:

Aon Consulting identified a group of dentists willing to work alongside the local dentist network already in existence. First Dental Health (FDH) is the network management entity working with this group of dentists. The expanded, combined dental provider network was offered during Open Enrollment and significantly improved access for employees County-wide. FDH is compensated for its network management services based on a sharing of the savings that Local Advantage Plus realizes from the discounted services the participating dentists are willing to provide. For example:

FDH provider bill for services:	\$950.00
FDH provider contract allowance:	<u>\$750.00</u>
Total Savings:	\$200.00
FDH receives 25% of savings	<u>\$ 50.00</u>
Net savings for Local Advantage Plus:	\$150.00

FDH is required to report savings to the County on a monthly basis. The attached agreement with FDH expands the dental network by over 300 additional dental providers within the Inland Empire. The Dental program is funded by employee payroll deductions.