

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

471



FROM: Human Resources Dept.

SUBMITTAL DATE:
February 8, 2007

SUBJECT: Renewal of Dental Contracts with United Concordia Companies, Inc.

RECOMMENDED MOTION: 1) Approve and ratify the Dental Health Maintenance Organization (DHMO) contracts for a renewal period of January 1, 2007 through December 31, 2008; 2) approve and ratify the Memorandum of Understanding between UCCI and the County for the period of January 1, 2007 through December 31, 2008; 3) approve and ratify the First Amendment to extend the Administrative Services Only/Preferred Provider Organization (ASO/PPO) contract for an additional period from January 1 through December 31, 2008, including the rate adjustment for the Claims Administrator's administrative fee; 4) authorize the Chairperson to sign four (4) copies of the attached agreements and amendments, and; 5) retain one (1) copy of each signed document and return three (3) copies of each signed document to Human Resources for distribution.

BACKGROUND: The United Concordia Companies, Inc., (UCCI) DHMO fully insured dental plan contracts are the official documents that outline administrative services performed by UCCI and benefits received by the employees and retirees under these plans.

[Signature]
Ronald W. Komers
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA

Current F.Y. Total Cost:	\$ 6,508,908	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2006-2007

SOURCE OF FUNDS: Employee and Retiree Dental Insurance Premiums	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

[Signature]

- Policy
- Policy
- Consent
- Consent

Dep't Recomm.:
Per Exec. Ofc.:

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RECEIVED VIA RIVERSIDE COUNTY

Prev. Agn. Ref.: 3.24 October 25, 2005 | **District:** | **Agenda Number:**

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

3.52

FORM APPROVED COUNTY COUNSEL
FEB 08 2007
BY: *[Signature]* Concurrence

BACKGROUND continued

United Concordia Companies, Inc., (UCCI) has agreed to honor our eligibility rules for new hires. Additionally, if an administrative error or judicial decision is made regarding a retro-enrollment, UCCI will accept enrollment as long as premiums are paid in full.

These contracts are being renewed for a two-year period to allow the County to consider all dental options or dental plan renewals simultaneously. All County dental contracts will expire on December 31, 2008.

The ASO/PPO self-funded dental plan with UCCI will be amended to extend that contract to renew at the same time as other dental plans. UCCI is responsible for the ASO/PPO claims payment and benefit administration for United Concordia Preferred Plan.

In addition, this first amendment will amend our Administrative Fees under Section 1.2 of Service Agreement. The current administration fee of \$3.50 PMPM (per member per month) will be reduced to \$3.40 PMPM for 2008, providing a savings of \$447.00. For the 2007 and 2008 plan years, the UCCI fund has sufficient reserves to cover this cost. Finally, this first amendment outlines the revised reporting package provided to the County at no additional cost.

Premiums are paid by County employees, so there is no direct cost to the County associated with the recommended action.