

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

220



FORM APPROVED COUNTY COUNSEL
BY: LUCY FURUTA 1/22/09
DATE

FROM: Human Resources Department

SUBMITTAL DATE:
January 21, 2009

SUBJECT: First Dental Health Network Lease and Marketing Agreement Renewal

RECOMMENDED MOTION: 1) Approve and ratify the renewal agreement with First Dental Health Network for the period of January 1, 2009 through December 31, 2013; 2) authorize the Chairperson to sign four (4) copies of each agreement and; 3) retain one (1) copy of the signed agreement and return three (3) copies to Human Resources for distribution.

BACKGROUND: First Dental Health (FDH) performs network management services with local dental networks throughout Riverside and San Bernardino Counties. Local Advantage Plus, a County sponsored self-insured dental plan, utilizes the networks for which FDH performs network management services. Initially approved by the Board on April 27, 2004, the attached agreement renews the network lease and marketing agreement between FDH and the County.

[Signature]

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

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ to be determined by claims	For Fiscal Year:	2008/09

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 BY: *[Signature]*
Elizabeth J. Olson

- Policy
- Consent
- Policy
- Consent

Departmental Concurrence

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

Prev. Agn. Ref.: 04/27/2004 – 3.24 | **District:** | **Agenda Number:**

3.18

BACKGROUND (continued):

Through the network lease and marketing agreement with FDH, Local Advantage Plus plan members have gained expanded access to dental providers in the participating networks.

The County pays FDH a fee equal to 25% of the savings realized by plan members when they receive discounted services from participating dental providers. Plan members realize a discount because FDH participating providers have agreed to accept a lower schedule of fees for their services than what they would otherwise bill members. The FDH fee schedule for selected procedures will increase by no more than 5% during the term of this agreement, while remaining procedures will increase by no more than 3%. The increased fees are competitive with the current market trend for Riverside and San Bernardino counties.

Human Resources recommends that the Board approve the renewal of the network lease and marketing agreement with FDH to become effective January 1, 2009. The renewal extends the terms of the agreement through December 31, 2013; approves the increase of the new fee schedules (Exhibit A and B); and the addition of six new Current Dental Terminology (CDT) codes in accordance with the national standards.

There is no direct cost to the County for the fee schedule changes or the addition of the new CDT codes, as the Board has already approved the Benefit and Dental Plan rate increases for 2008-2009. A summary plan description outlining the plan changes has been provided as Exhibit C for reference.