



# RFP 21-038

## Analysis & Recommendations

City of League City

June 7, 2021

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Presented by:

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## RFP Overview

This presentation summarizes the initial results of an RFP conducted by City of League City to assess vendors to administer the following benefits effective October 1, 2021:

- Group Dental Benefits – Fully Insured and Self Insured

The RFP was conducted with the following objectives in mind:

- Aligns with the City of League City’s objectives and is supported by management and Council;
- Demonstrated superior member service and claims processing;
- Ability to proactively meet the City of League City’s service needs;
- Willingness, experience and capability to effectively administer the programs;
- Support during the implementation process;
- Options to manage costs.

## RFP Vendor Response List

CARRIER	FF DENTAL	ASO DENTAL	NO RESPONSE	DECLINE	NOTES
Aetna			X		
Aflac	X	X			
Ameritas		X			
BlueCross BlueShield of Texas	X	X			
Bright Benefits		X			
Cigna	X	X			
Delta Dental	X	X			
Dental Select			X		
Guardian	X				
Health Care Highways			X		
Humana	X	X			DISQUALIFIED
Lincoln Financial	X				
Met Life	X				
Mooreland Enterprise	X		X		
Standard				X	unable to match rates
Sun Life Financial			X		
TML			X		
UnitedHealthCare	X	X			
WebTPA				X	declining due to size

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## Analysis – Group Dental Fully Insured



# Group Dental Fully Insured

DENTAL BENEFITS				CURRENT	CURRENT	CURRENT	Cigna	Cigna	Cigna
PLAN NAME				Cigna	Cigna	Cigna	Cigna	Cigna	Cigna
PLAN TYPE				DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High
NETWORK				Cigna	Cigna	Cigna	Cigna	Cigna	Cigna
<b>Type I – Preventive Services</b>									
Deductible				Refer to schedule in proposal	No Deductible	No Deductible	Please see the attached plan designs for details.	No Deductible	No Deductible
Oral Exams -				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Fluoride treatments-children under ___ limit ___ per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
(2) Cleanings per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Sealants for children under ___ not to exceed \$ ___ per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Full mouth X-ray 1 series in a ___ consecutive month period				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Periapical and Intraoral X-rays				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Bitewings X-rays once per calendar year				Please see the attached plan designs for details.	100% No Deductible (2 per calendar year)	100% No Deductible (2 per calendar year)	Please see the attached plan designs for details.	100% No Deductible (2 per calendar year)	100% No Deductible (2 per calendar year)
<b>Type II – Basic Services</b>									
Coinsurance				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Emergency Exams				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Non-preventive X-rays				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Please see the attached plan designs for details.	100% No Deductible	100% No Deductible
Amalgam and resin-based composite fillings				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Stainless Steel Crowns				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
Extractions				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Anesthesia				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Periodontics				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible
Oral Surgery				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see the attached plan designs for details.	90% After Deductible	80% After Deductible

## Group Dental Fully Insured (continued)

DENTAL BENEFITS				CURRENT	CURRENT	CURRENT	Cigna	Cigna	Cigna
PLAN NAME				Cigna	Cigna	Cigna	Cigna	Cigna	Cigna
PLAN TYPE				DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High
NETWORK				Cigna	Cigna	Cigna	Cigna	Cigna	Cigna
<b>Type III – Major Services</b>									
Coinsurance				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
Replacement of Crowns				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
Dental Implants				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
Removable / fixed bridge-work				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
Partial or complete dentures				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see the attached plan designs for details.	60% After Deductible	50% After Deductible
<b>Type IV – Orthodontia</b>									
Coinsurance				Please see the attached plan designs for details.	50% No Deductible	50% No Deductible	Please see the attached plan designs for details.	50% No Deductible	50% No Deductible
Orthodontia Eligibility				Please see the attached plan designs for details.	Children up to age 19	Children up to age 19	Please see the attached plan designs for details.	Children up to age 19	Children up to age 19
Orthodontia Lifetime Maximum				Please see the attached plan designs for details.	\$2,000	\$2,000	Please see the attached plan designs for details.	\$2,000	\$2,000
<b>Calendar Year Deductible</b>									
Individual				Please see the attached plan designs for details.	\$60	\$50	Please see the attached plan designs for details.	\$60	\$50
Family				Please see the attached plan designs for details.	\$160	\$150	Please see the attached plan designs for details.	\$160	\$150
<b>Maximums and UCR Info</b>									
Dental Annual Maximum				Please see the attached plan designs for details.	\$2,000	\$2,000	Please see the attached plan designs for details.	\$2,000	\$2,000
UCR Out of Network Percentile	DHMO	PPO Low	PPO High	Please see the attached plan designs for details.	90th	90th	Please see the attached plan designs for details.	90th	90th
<b>MONTHLY RATES</b>									
	# EE Enr	# EE Enr	# EE Enrolled						
Employee Only	21	80	165	\$12.28	\$26.33	\$32.05	\$12.28	\$27.65	\$33.65
Employee & Spouse	6	28	43	\$22.20	\$52.11	\$63.56	\$22.20	\$54.72	\$66.74
Employee & Child(Ren)	12	27	59	\$27.17	\$71.10	\$88.10	\$27.17	\$74.66	\$92.51
Employee & Family	17	47	49	\$39.65	\$104.86	\$129.53	\$39.65	\$110.10	\$136.00
Total Enrolled	56	182	316						
<b>Financials</b>									
Total Monthly Premium					\$31,371			\$32,870	
Total Annual Premium					\$376,452			\$394,440	
\$ change from current					NA			\$17,988	
% change from current					NA			4.78%	
<b>RATE INFORMATION</b>									
Confirm that the rates are net of commission.							Confirmed	Confirmed	Confirmed
What is the rate guarantee?							24 months with 3rd year rate cap of 5%	24 months with 3rd year rate cap of 5%	24 months with 3rd year rate cap of 5%
Effective Date							10/1/2021	10/1/2021	10/1/2021

# Group Dental Fully Insured (continued)

DENTAL BENEFITS				CURRENT	CURRENT	CURRENT	MetLife	MetLife	MetLife
PLAN NAME				Cigna	Cigna	Cigna			
PLAN TYPE				DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High
NETWORK				Cigna	Cigna	Cigna	DHMO Network	PDP Plus	PDP Plus
<b>Type I – Preventive Services</b>									
Deductible				Refer to schedule in proposal	No Deductible	No Deductible	Not applicable	\$0	\$0
Oral Exams -				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Covered	2 in 1 calendar year	2 in 1 calendar year
Fluoride treatments-children under ___ limit ___ per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	2 in 1 calendar year	Children under 19 1 in 1 calendar year	Children under 19 1 in 1 calendar year
(2) Cleanings per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	2 in 1 calendar year	2 in 1 calendar year	2 in 1 calendar year
Sealants for children under ___ not to exceed \$ ___ per calendar year				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Child to age 19 1 per 36 months	Children under 16 1 per molar in 3 years	Children under 16 1 per molar in 3 years
Full mouth X-ray 1 series in a ___ consecutive month period				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Once every 3 years	Once in 36 months	Once in 36 months
Periapical and Intraoral X-rays				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Covered	No limit	No limit
Bitewings X-rays once per calendar year				Please see the attached plan designs for details.	100% No Deductible (2 per calendar year)	100% No Deductible (2 per calendar year)	Covered	2 in 1 calendar year	2 in 1 calendar year
<b>Type II – Basic Services</b>									
Coinsurance				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Please see plan document for applicable copays	80%	90%
Emergency Exams				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Covered	Covered Type A	Covered Type A
Non-preventive X-rays				Please see the attached plan designs for details.	100% No Deductible	100% No Deductible	Covered	No limit	No limit
Amalgam and resin-based composite fillings				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Covered	1 replacement in 24 months	1 replacement in 24 months
Stainless Steel Crowns				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	\$5 - \$50 copay	No limit	No limit
Extractions				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Covered Service only if it is provided in a Selected General Dental Office.	No limit	No limit
Anesthesia				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Periodontal surgery 1 in 36 months Periodontal scaling and root planing - 1 in 24 months	Surgery - 1 in 60 months Maintenance - 4 in 1 calendar year incl. 2 cleanings	Surgery - 1 in 60 months Maintenance - 4 in 1 calendar year incl. 2 cleanings
Periodontics				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible	Covered	No limit	No limit
Oral Surgery				Please see the attached plan designs for details.	90% After Deductible	80% After Deductible			

## Group Dental Fully Insured (continued)

DENTAL BENEFITS				CURRENT	CURRENT	CURRENT	MetLife	MetLife	MetLife
PLAN NAME				Cigna	Cigna	Cigna			
PLAN TYPE				DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High
<b>Type III – Major Services</b>									
Coinsurance				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	Please see plan document for applicable copays	50%	60%
Replacement of Crowns				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	1 replacement in 5 years	1 replacement in 60 months	1 replacement in 60 months
Dental Implants				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	1 in 5 years	1 per tooth in 10 years	1 per tooth in 10 years
Removable / fixed bridge-work				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	1 in 5 years	1 in 60 months	1 in 60 months
Partial or complete dentures				Please see the attached plan designs for details.	60% After Deductible	50% After Deductible	1 in 5 years	1 in 5 years	1 in 5 years
<b>Type IV – Orthodontia</b>									
Coinsurance				Please see the attached plan designs for details.	50% No Deductible	50% No Deductible	Please see plan document for applicable copays	50%	50%
Orthodontia Eligibility				Please see the attached plan designs for details.	Children up to age 19	Children up to age 19	Child only	Child only to age 19	Child only to age 19
Orthodontia Lifetime Maximum				Please see the attached plan designs for details.	\$2,000	\$2,000	Please see plan document for applicable copays	\$2,000	\$2,000
<b>Calendar Year Deductible</b>									
Individual				Please see the attached plan designs for details.	\$60	\$50	Not applicable	\$50	\$50
Family				Please see the attached plan designs for details.	\$160	\$150	Not applicable	\$150	\$150
<b>Maximums and UCR Info</b>									
Dental Annual Maximum				Please see the attached plan designs for details.	\$2,000	\$2,000	Not applicable	\$2,000	\$2,000
UCR Out of Network Percentile	DHMO	PPO Low	PPO High	Please see the attached plan designs for details.			Not applicable		
					90th	90th		90th	MAC
<b>MONTHLY RATES</b>									
	# EE Enrol	# EE Enrol	# EE Enrolled						
Employee Only	21	80	165	\$12.28	\$26.33	\$32.05	\$10.39	\$24.60	\$29.94
Employee & Spouse	6	28	43	\$22.20	\$52.11	\$63.56	\$19.30	\$48.68	\$59.37
Employee & Child(Ren)	12	27	59	\$27.17	\$71.10	\$88.10	\$23.00	\$66.42	\$82.30
Employee & Family	17	47	49	\$39.65	\$104.86	\$129.53	\$33.56	\$97.95	\$121.00
Total Enrolled	56	182	316						
<b>Financials</b>									
	Total	554							
Total Monthly Premium					\$31,371			\$29,186	
Total Annual Premium					\$376,452			\$350,235	
\$ change from current					NA			(\$26,217)	
% change from current					NA			-6.96%	
<b>RATE INFORMATION</b>									
Confirm that the rates are net of commission.							Confirmed	Confirmed	Confirmed
What is the rate guarantee?							12 months	12 months	12 months
Effective Date							10/1/2021	10/1/2021	10/1/2021



# Group Dental Fully Insured (continued)

	CURRENT Cigna DHMO	CURRENT Cigna PPO Low	CURRENT Cigna PPO High	BCBS BlueCare Dental Low MAC	BCBS BlueCare Dental U&C Plan	BCBS BlueCare Dental High MAC	Guardian Life Guardian Life DHMO	Guardian Life Guardian Life PPO Low	Guardian Life Guardian Life PPO High	UnitedHealthcare D094C DHMO	UnitedHealthcare NEW_20648756 CS24 PPO Low	UnitedHealthcare NEW_20648757CS24 PPO High
# EE Enrolled												
165	\$12.28	\$26.33	\$32.05	\$12.89	\$28.54	\$34.74	\$14.91	\$29.72	\$36.18	\$11.53	\$29.24	\$35.59
43	\$22.20	\$52.11	\$63.56	\$23.94	\$56.49	\$68.90	\$29.83	\$58.81	\$71.73	\$21.41	\$57.87	\$70.58
59	\$27.17	\$71.10	\$88.10	\$28.53	\$77.07	\$95.50	\$31.09	\$80.25	\$99.44	\$25.51	\$78.96	\$97.83
49	\$39.65	\$104.86	\$129.53	\$41.63	\$113.67	\$140.41	\$46.41	\$99.44	\$146.20	\$37.23	\$116.45	\$143.84
316												
		\$31,371			\$33,962			\$34,604			\$34,602	
		\$376,452			\$407,545			\$415,244			\$415,220	
		NA			\$31,093			\$38,793			\$38,768	
		NA			8.26%			10.30%			10.30%	
				Confirmed	Confirmed	Confirmed	Flat 2% commission included	Flat 2% commission included	Flat 2% commission included	Confirmed	Confirmed	Confirmed
				2 years + 3rd year cap 10/1/2021	2 years + 3rd year cap 10/1/2021	2 years + 3rd year cap 10/1/2021	2 Years 8/1/2021	2 Years 8/1/2021	2 Years 8/1/2021	12 months 10/1/2021	12 months 10/1/2021	12 months 10/1/2021



# Group Dental Self Insured

DENTAL BENEFITS	BCBSTX	BCBSTX	BCBSTX	Delta Dental Insurance Company	Delta Dental Insurance Company	Delta Dental Insurance Company	Guardian Life	Guardian Life	Guardian Life	UnitedHealthcare	UnitedHealthcare	UnitedHealthcare
PLAN NAME	BlueCare Dental	BlueCare Dental	BlueCare Dental	DeltaCare USA	PPO Plus Premier	PPO Plus Premier		Guardian Life	Guardian Life	D094C	NEW_20648756 CS24	NEW_20648757CS24
PLAN TYPE	Low MAC	U&C Plan	High MAC	DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High	DHMO	PPO Low	PPO High
NETWORK	BlueCare Dental	BlueCare Dental	BlueCare Dental	DeltaCare USA	PPO	PPO		DentalGuard Preferred	DentalGuard Preferred	National Pacific Dental	UnitedHealthcare	UnitedHealthcare
GENERAL INFORMATION												
RATES												
TPA Fee	\$4.21	\$4.21	\$4.21	Included	Included	Included		\$4.40	\$4.40	Fully-Insured Only	N/A	N/A
Dental Network Fee	Included in proposed rates.	Included in proposed rates.	Included in proposed rates.	Included	Included	Included	Included	Included	Included	We do not charge a network access fee.	We do not charge a network access fee.	We do not charge a network access fee.
Reporting	Standard included.	Standard included.	Standard included.	Included	Included	Included	Included	Included	Included	We do not typically provide utilization / management reports to customers who offer our DHMO plans.	Our standard reporting is available for no additional fee.	Our standard reporting is available for no additional fee.
Out of Network Negotiated	Included in proposed rates.	Included in proposed rates.	Included in proposed rates.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No	No
RATE INFORMATION												
Confirm that the rates are net of commission.	Confirmed.	Confirmed.	Confirmed.	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	Yes	Yes	Yes	Confirmed	Confirmed	Confirmed
What is the rate guarantee?	36 months	36 months	36 months	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	2Years	2Years	2Years	12 months	12 months	12 months
Effective Date	10/1/2021	10/1/2021	10/1/2021	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	Not applicable as Delta Dental is not a TPA.	8/1/2021	8/1/2021	8/1/2021	N/A	10/1/2021	10/1/2021



# Group Dental Financial Summary – Fully Insured

## Cigna Current

## Cigna Proposed

MONTHLY RATES	# EE	# EE	# EE	DHMO	PPO/LOW	PPO/HIGH	DHMO	PPO/LOW	PPO/HIGH
Employee Only	21	80	165	\$12.28	\$26.33	\$32.05	\$12.28	\$27.65	\$33.65
Employee & Spouse	6	28	43	\$22.20	\$52.11	\$63.56	\$22.20	\$54.72	\$66.74
Employee & Child(Ren)	12	27	59	\$27.17	\$71.10	\$88.10	\$27.17	\$74.66	\$92.51
Employee & Family	17	47	49	\$39.65	\$104.86	\$129.53	\$39.65	\$110.10	\$136.00
<b>Total Enrolled</b>	<b>56</b>	<b>182</b>	<b>316</b>						
<b>Financials</b>	<b>Total</b>	<b>554</b>							
Total Monthly Premium					\$31,371			\$32,870	
Total Annual Premium					\$376,452			\$394,440	
\$ change from current					NA			\$17,988	
% change from current					NA			4.78%	
<b>RATE INFORMATION</b>									
Confirm that the rates are net of commission.							Confirmed	Confirmed	Confirmed
What is the rate guarantee?							24 months with 3rd year rate cap of 5%	24 months with 3rd year rate cap of 5%	24 months with 3rd year rate cap of 5%
Effective Date							10/1/2021	10/1/2021	10/1/2021



# Group Dental SF Financial Budget Projection FY 2022

Projected SF Plan Cost +  
Fully Insured DHMO =  
Total Dental Plan Cost

SF Plan Cost \$406,423  
Dental DHMO \$16,694  
Total Dental Plan Cost  
\$423,117

## League City Development of Funding Rates For the Plan Year Ending September 30, 2022

24-months of Experience Ending: March 31, 2021  
Midpoint of Projected Experience: March 31, 2022

### Funding Rate Development

Enrollment Counts	PYE 2021	PYE 2022	Est. Change (%)
Employee Only	246	246	0.0%
Employee & Spouse	70	70	0.0%
Employee & Child(ren)	87	87	0.0%
Family	95	95	0.0%
<b>Total Enrollment</b>	<b>498</b>	<b>498</b>	<b>0.0%</b>

Fixed Costs PEPM	PYE 2021	PYE 2022	Est. Change (%)
Administration		\$3.70	

### Total Fixed Costs PEPM

		<b>\$3.70</b>	
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Funding Rates PEPM	PYE 2021	PYE 2022	Est. Change (%)
Expected Fixed Costs (PEPM)		\$3.70	
Expected Paid Claims (PEPM)		\$64.30	
Composite Funding Rate (PEPM)	\$59.28	\$68.00	14.7%

Dental High PPO Plan	Enrollment	PYE 2021	PYE 2022	Est. Change (%)
Employee Only	169	\$32.06	\$36.78	14.7%
Employee & Spouse	43	\$88.10	\$101.07	14.7%
Employee & Child(ren)	58	\$63.56	\$72.92	14.7%
Family	49	\$129.53	\$148.60	14.7%
<b>Total</b>	<b>319</b>	<b>\$230,879</b>	<b>\$264,871</b>	

Dental Low PPO Plan	Enrollment	PYE 2021	PYE 2022	Est. Change (%)
Employee Only	77	\$26.33	\$30.21	14.7%
Employee & Spouse	27	\$71.10	\$81.57	14.7%
Employee & Child(ren)	29	\$52.11	\$59.78	14.7%
Family	46	\$104.86	\$120.30	14.7%
<b>Total</b>	<b>179</b>	<b>\$123,382</b>	<b>\$141,552</b>	

	PYE 2021	PYE 2022	Est. Change (%)
<b>Total Funding PEPM</b>	<b>\$59.28</b>	<b>\$68.01</b>	<b>14.7%</b>
<b>Annual Expected Total Cost</b>	<b>\$354,261</b>	<b>\$406,423</b>	<b>14.7%</b>

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## Recommendations



# Recommendations

## Group Dental Plan Fully Insured

Cigna's Fully Insured Plan proposal cost is \$394,440 and includes a 2-year rate guarantee and a 3<sup>rd</sup> year rate cap increase of +5% versus the projected Self Insured total plan cost of \$423,117.



Thank you!