



CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 9/15/09

SUBJECT: Changes to Dental Insurance

DEPARTMENT: Human Resources 1700

RECOMMENDED MOTION: To approve changes to current dental plan for City employees.

SUMMARY: Our current dental insurance provider, Great West, was acquired by CIGNA in 2008. As a result of this acquisition, CIGNA has offered the City of Port Orange two new dental plans (DPPO and DHMO) from their platform with the same or better benefits for a lower premium price locked in for two years. If accepted, these plans would replace the current indemnity plan.

The DPPO plan has the same benefit coverage as the current indemnity plan. There is also a large network of dentists that an employee can go to for discounted rates. An employee can still go to an out-of-network dentist and pay the same rates they are paying now.

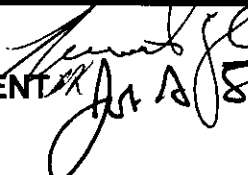
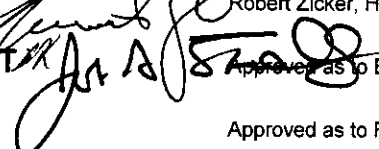


The premium for the DPPO will be ~ 8.9% less than what we are currently paying. The City pays 100% of the employee. Employees with dependant coverage could see significant savings with this option. If they use the PPO network, they may see additional discounts in the cost of the procedure.

The other option available is a DHMO. The DHMO is similar to a regular medical plan HMO where employees are required to use the DHMO network. There are currently only two dental groups that accept this plan. Although this plan is not a good option for employees that are "particular" about their dentists and dental plans, this option presents a very large savings (~ 46%) to employees and dependants. The savings would be seen up front in premiums and in the fees paid to the providers by employees.

The City

ATTACHMENTS: Ordinance Resolution Budget Resolution

Other Support Documents/Contracts Available for Review in Manager's Office

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| DEPARTMENT HEAD |  | Robert Zicker, Human Resources Director | Date 9.1.9 |
| FINANCE DEPARTMENT |  | Approved as to Budget Requirements | Date 9/15/09 |
| CITY ATTORNEY |  | Approved as to Form and Legality | Date |
| CITY MANAGER |  | Approved Agenda Item For: | 9/15/09 |

COUNCIL ACTION: Approved as Recommended Disapproved Tabled Indefinitely
 Continued to Date Certain Approved with Modification: