



*Department of Human Resources*  
Division of Employee Benefits

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**INTER-OFFICE COMMUNICATION**

**Date:** 9/25/2014  
**To:** Milwaukee County Board of Supervisors, Finance, Personnel, & Audit Committee *MH*  
**FROM:** Matthew Hanchek, Employee Benefits Administrator  
**SUBJECT:** **Report from the Director of Benefits, Department of Human Resources, requesting authorization for renewal of the Dental Associates Contract for DMO coverage for 2015.**

**Issue/Background**

Milwaukee County has offered a Dental Associates (Care Plus) DMO plan as a dental option largely unchanged for over 20 years. After a difficult negotiation in 2013, Milwaukee County agreed to make significant changes to plan design for 2014, tied to similar premium rate concessions by Dental Associates. The rate agreement reached in 2014 was incorporated in, and approved with the 2014 budget.

**2015 Renewal**

Dental Associates is proposing a 5% increase in premiums for maintaining the current dental benefit design. This increase is primarily based on the National DMO average premium trend rates, as there has not been an adequate amount of claims experience under the revised plan to properly assess the impact the revised design has had on utilization.

**Recommendation / requested action**

The Benefits Division agrees that national trend data is an appropriate method for basing the 2015 renewal in the absence of sufficient credible claims utilization data. As such, we are recommending renewal and requesting approval to execute the rate increase for 2015. If approved, the Benefits Division will continue to monitor plan performance for 2016 and evaluate the potential for longer-term renewal options.

CC: County Executive Chris Abele  
Raisa Koltun, Chief of Staff  
Kerry Mitchell, Chief Human Resources Officer  
Paul Bargren, Corporation Counsel  
Supervisor David Cullen, Co-Chairman, Personnel, Finance & Audit Committee  
Supervisor Willie Johnson, Co-Chairman, Personnel, Finance & Audit Committee  
Kelly Bablitch, Milwaukee County Board of Supervisors Chief of Staff  
Don Tyler, Director of Administrative Services  
Josh Fudge, Director, Office of Performance, Strategy, and Budget  
Stephen Cady, Comptroller's Office  
Rick Norris, Director, Office of the Community Business Development Partners  
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