

Department of Human Resources Division of Employee Benefits

## **INTER-OFFICE COMMUNICATION**

SUBJECT:	Report from the Benefits Manager, Department of Human Resources, requesting authorization for renewal of the Dental Associates Contract for
FROM:	Michael Stanke, Employee Benefits Manager <sup>WS</sup>
То:	Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors Peggy West, Chairwoman, Finance & Audit Committee
Date:	12/19/2017

## Issue/Background

Milwaukee County has offered a Dental Associates (Care Plus) DMO plan as a dental option largely unchanged for over 20 years. Now that most of our claims data has been processed for 2017, we have been able to finalize our negotiations and show that the Milwaukee County claims trend was much lower than national average, which will help to keep our premiums lower. Milwaukee County has been successful in negotiating an annual rate increase that is well below the national DMO rate trend of +5% annually.

## 2018 Renewal

Dental Associates is proposing a 3% increase in premiums for maintaining the current dental benefit design, with a minor plan enhancement: dental implants will now be covered at 80%, rather than the current coverage level of 50%. Milwaukee County, in coordination with Willis Towers Watson, assessed Milwaukee County's claims utilization and national DMO rate trends, and found the renewal proposal to be favorable.

## **Recommendation / requested action**

DMO coverage for 2018.

The Benefits Division agrees that national trend data is an appropriate method for basing the 2018 renewal. As such, we are recommending renewal and requesting approval to execute the contract for 2018. If approved, the Benefits Division will continue to monitor plan performance for 2019 and evaluate the potential for longer-term renewal options in the future.

CC: County Executive Chris Abele

 Raisa Koltun, Chief of Staff
 Kerry Mitchell, Chief Human Resources Officer
 Margaret Daun, Corporation Counsel
 Supervisor Sheldon Wasserman, Vice Chair, Personnel, Finance & Audit Committee
 Kelly Bablitch, Milwaukee County Board of Supervisors Chief of Staff
 Teig Whaley-Smith, Director of Administrative Services
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