



Cover Memorandum/Staff Report

File #: 23-1038

Agenda Date: 9/18/2023

Item #: 6.E.

TO: Mayor and Commissioners
FROM: Duane D'Andrea, Human Resources Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: September 18, 2023

RENEW AGREEMENT WITH SOLSTICE HEALTHPLANS, INC FOR DENTAL INSURANCE
EFFECTIVE OCTOBER 1, 2023 AND RETROACTIVE APPROVAL TO OCTOBER 1, 2019.

Recommended Action:

Motion to renew agreement with Solstice Healthplans, Inc for Dental insurance effective October 1, 2023 and retroactive approval to October 1, 2019.

Background:

In March of 2019, the City's Benefit Consultants, The Gehring Group, solicited for dental providers. After reviewing the proposals, the City's Insurance Committee assembled and agreed to move forward with Solstice Healthplans, Inc. effective October 1, 2019.

On July 29, 2019, Interim City Manager, Neal de Jesus approved the memorandum to execute an agreement with Solstice Healthplans, Inc. for Group Dental Insurance with an HMO and PPO option. The contract is renewable every 12 months with a four (4) year rate guarantee and a one (1) percent rate cap on Year 5 (October 1, 2023 - September 30, 2024).

After being chosen by the Insurance Committee, the contract has automatically renewed every year for four years with no rate change. With our upcoming renewal, Solstice Healthplans, Inc. notified our benefit consultants, The Gehring Group, that they are offering a rate pass for Year 5 with no increase (1% savings from initial proposal). With this upcoming renewal, authorization needs to be executed. Since this was originally approved by the City Manager instead of Commission, the department is seeking retroactive approval of the first four years and renewal authorization

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from

- Employee/Retiree Funded Dental Insurance Revenue/Expense
 - 551-00-000.341-255 / 551-13-041-513.45-43 \$326,220.00

Timing of Request:

The renewal contract will be implemented on October 1, 2023, retroactive approval for October 1, 2019 and each subsequent year (2020, 2021, 2022).

