



County of Santa Cruz 0103

PERSONNEL DEPARTMENT

701 OCEAN STREET, SUITE 310, SANTA CRUZ, CA 95060-4073

(631) 454-2600 FAX: (631) 454-2411 TDD: (631) 464-2123

DANIA TORRES WONG, DIRECTOR

September 11, 2000

Agenda Date: September 26, 2000

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

AUTHORIZE RENEWAL FOR EMPLOYEE'S VISION, LIFE AND CAPITATED DENTAL PLANS

Dear Members of the Board:

The agreements regulating the premiums for employee life, vision and capitated dental insurance expire in October. Staff has been negotiating with the vendors to provide agreements for another year and are presenting them to your Board for approval. No premium increases are recommended for life or vision coverage, but a rate increase to be effective October 1, 2000, is recommended for PMI.

A discussion for each of the three contracts follows:

Life Insurance. ReliaStar (formerly known as Northwestern National Life) has provided life insurance coverage for County employees since 1989. Based on the County's history and 1999-2000 experience, ReliaStar has agreed to continue the current premium of \$.18 per thousand for life insurance coverage and \$.03 per \$1,000 for accidental death and dismemberment.

Vision. Vision Service Plan (VSP) has agreed to continue vision coverage at the current rate of \$6.54 per month for an employee and \$18.10 per month for dependent coverage.

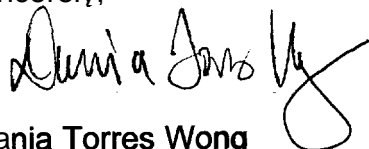
Private Medical Care, Inc. (PMI). PMI has provided capitated or prepaid dental services to County employees since 1984. Approximately 11% of employees eligible for dental coverage are enrolled in this plan. Due to the high cost of speciality claims such as periodontics and endodontics and the higher than average capitation fee required to retain providers in the Santa Cruz area, PMI is requesting and we are recommending a 3% rate increase effective October 1, 2000, increasing the premium from \$41.54 per month to \$42.79 per month (or \$19.17 to \$19.75 per pay period).

The employee life, vision and dental benefits provided through these contracts are required in agreements with employee organizations. Premiums for these benefits are budgeted in the individual departmental budgets.

It is therefore RECOMMENDED that your Board:


- a. Authorize the Personnel Director to accept the life and vision insurance renewal with **ReliaStar** and VSP at the current rate through September 2001; and
- b. Authorize the Personnel Director to sign a contract with Private Medical Care, Inc., (PMI) to increase the current premium from \$41.54 to \$42.79 per month.

Sincerely,



Dania Torres Wong
Personnel Director

RECOMMENDED:



SUSAN A. MAURIELLO
County Administrative Officer

Attachment

cc: Personnel (3)

AMENDMENT
TO
GROUP DENTAL SERVICE CONTRACT
(Prepaid)

THIS AGREEMENT is made by and between PRIVATE MEDICAL-CARE, INC. and County of Santa Cruz, DeltaCare Group # 0368(Active Bi-Weekly) and 1919(Cobra Monthly), for the purpose of amending the original Group Dental Service Contract as follows:

Effective October 1, 2000, Page 35, Schedule D, Paragraph F, shall be amended to read:

#0368 (Active) Bi-Weekly *

10/1/00
through
9/30/01

California Composite: \$19.75

#1919 (COBRA) Monthly

California Composite: \$ 4 2 . 7 9

All other aspects of the Group Dental Service Contract currently in effect remain the same.

IN WITNESS WHEREOF, the parties have executed this Contract and have affixed their signatures on the _____ day of _____, 2000.

County of Santa Cruz
DeltaCare Group #(See Appendix A)

PRIVATE MEDICAL-CARE, INC.

By: _____
Signature and Title

701 ocean St, Rm. 510
Address

Santa Cruz, CA. 95060
City State Zip

By: Marilyn Masters 9-19-00
Signature and Date

Vice President, Research
Title

APPROVED AS TO FORM:

By: J. Rice
Office of the County Council