CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM
Council Bill 2023-522 – Approving a renewal agreement with Delta Dental to provide dental insurance for city employees.

MEETING DATE
October 16, 2023

ORIGINATING DEPT
Finance

ATTACHMENTS
CB 2023-522 Ordinance; Exhibit "A" Delta Dental Renewal

REVIEWED BY
Department Head: Leslie Haase; Human Resources Director: Michelle Ducre; City Attorney: Peter Edwards; City Manager: Nick Edwards

SUMMARY
This Council Bill approves dental insurance renewal agreement for city employees effective on January 1, 2024.

BACKGROUND
In February of 2020, the City issued an RFP, through our insurance consultant Segal, for employee insurance benefits including health, dental, vision, life, and long-term disability coverage. Bids were received in March of that year. Segal assessed the bid results and presented the best overall recommendations, which were adopted by City Council. Vendors are selected for a five-year period, which began on January 1, 2021. Within the five-year timeframe, contracts are updated depending upon the length of the rate guarantees.

In 2020, Delta Dental provided a two-year rate guarantee. For 2023 coverage, Delta again agreed to no change in the current rates. For the 2024 renewal, Delta will be increasing the rates by 7.5%, but has guaranteed this rate for two years. Currently, the estimated total annual cost for dental insurance is $337,500.00, with the total anticipated cost to the City of $224,000.00. The provisions of this insurance coverage are the same as the current benefit. The monthly premium for single coverage is increasing from $27.96 to $30.06, of which $21.04 is funded by the City and $9.02 is funded by the employee. The monthly premium for family coverage is increasing from $74.36 to $79.94, of which $51.96 is funded by the City while $27.98 is funded by the employee.

FUNDING SOURCE
This item is included in all funds based on payroll.

RECOMMENDATION
Staff recommends approval of this council bill on an emergency basis in order to begin open enrollment for city employees in November.