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# Board of Supervisors Memorandum

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January 14, 2020

## Dental Insurance for County Employees – Fiscal Year 2020/21

### Introduction

Pima County has two dental plans for employees: 1) A Dental Maintenance Organization (DMO) provided through Employee Dental Service (EDS); and, 2) A Self-Funded Indemnity Plan, Pima County Dental Plan, administered through Ameritas. Benchmarking of Arizona agencies finds that most organizations throughout Arizona offer no less than two dental choices that are similar to Pima County's Plans. Both contracts are due to expire at the end of Fiscal Year (FY) 2019/20. As such, Human Resources and Procurement have prepared a Request for Proposal (RFP) for each of the dental plans for Fiscal Year (FY) 2020/21.

### **EDS Plan**

The EDS Plan offers less expensive premiums than an indemnity plan, members are limited to only in-network providers in Arizona, and all family members must see the same dentist. EDS has 582 general dentists and 1,099 specialists in the Arizona network. Currently, Pima County has 2,251 active employees and COBRA members enrolled in EDS with 4,568 total members.

### **Pima County Dental Plan**

On the Pima County Dental Plan, members are free to choose their own dentist or specialist, each family member can see different dentists, and for those with dependents who reside out-of-state, providers are available nationwide. Pima County Dental pays the provider directly or reimburses members for qualified dental expenses. Once the deductibles are satisfied, the plan pays a percentage of the dentist's charges up to the annual maximum and the member is responsible for paying the balance. Pima County Dental has 9,267 general dentists and 4,231 specialists in the State of Arizona as well as over 492,000 providers nationwide. Currently, Pima County has 2,854 active employees and COBRA members enrolled in this plan with a total of 6,339 total members.

The following table demonstrates the differences between the two plans:





**Employers Dental Services (EDS)**

<b>Proposed 50/50</b>	<b>EE Bi-Weekly Cost</b>	<b>EE Annual Cost</b>	<b>ER Bi-Weekly Cost</b>	<b>ER Annual Cost</b>	<b>Number of EEs Enrolled</b>	<b>Total ER Annual Cost</b>
Employee	2.02	52.52	2.02	52.52	1,044	\$54,830.88
Employee + Spouse	4.29	111.41	4.29	111.41	389	\$43,338.49
Employee + Child	5.94	154.44	5.94	154.44	268	\$41,389.92
Employee + Family	6.43	167.05	6.43	167.05	479	\$80,016.95
						<b>\$219,576.24</b>

**Recommendation**

It is my recommendation that the Board of Supervisors approve the proposed employee dental plans as described above by approving:

1. Sharing of costs equally with employees for all tiers of coverage.
2. Dental premium equivalents as detailed above.
3. Continue offering two dental plans.

Respectfully submitted,

  
 C.H. Huckelberry  
 County Administrator

CHH/mp – December 31, 2019

c: Jan Leshar, Chief Deputy County Administrator  
 Cathy Bohland, Director, Human Resources