

Johnson City Board of Education Special Meeting

October 3, 2024 11:30 AM

Central Office

1. CALL TO ORDER AND PURPOSE OF MEETING

1.A. The purpose of the meeting is to discuss dental insurance provider.

2. ADJOURNMENT



Dental

	Ameritas	Delta Dental PPO + Premier
Benefits		
Calendar Year Deductible (Individual/Family)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)
Annual Maximum Benefit	\$1,000	\$1,000
Benefit Waiting Period	None	None
Type 1: Preventive/Diagnostic		
Cleanings, Exams, Fluoride Treatment, Space Maintainers, X-Rays	100%	100%
Type 2: Basic Procedures		
Sealants, Fillings, Simple Extractions, Oral Surgery, Denture Repair, Anesthesia	80%	80%
Type 3: Major Procedures		
Endodontics, Periodontics, Crowns, Partials and Dentures, Implants, Inlays and Onlays, Bridges	50%	50%
Orthodontia		
Paid Amount	50%	50%
Lifetime Maximum	\$1,000	\$1,000
Child or Child/Adult	Child and Adult	Child and Adult
Network		
		OON
Rates	Monthly Premium	Monthly Premium

Employee Only	389	\$26.80	\$26.53
Family	509	\$87.96	\$82.44
Monthly Premium		\$55,196.84	\$52,282.13
Percentage from Current			-5%
Monthly Difference			-\$2,914.71
Annual Difference			-\$34,976.52
Rate Guarantee			2 years

NOTE: Benefit Deviations from Current are identified in blue font.

Delta Dental PPO	Delta Dental PPO + Premier	Delta Dental PPO + Premier
\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)
\$1,000	\$1,100	\$1,100
None	None	None
100%	100%	100%
80%	80%	80%
50%	50%	50%
50%	50%	50%
\$1,000	\$1,000	\$1,000
Child and Adult	Child and Adult	Child and Adult
90th	90th	OON
Monthly Premium	Monthly Premium	Monthly Premium

\$27.16	\$27.86	\$27.21
\$84.30	\$86.12	\$84.21
\$53,473.94	\$54,672.62	\$53,447.58
-3%	-1%	-3%
-\$1,722.90	-\$524.22	-\$1,749.26
-\$20,674.80	-\$6,290.64	-\$20,991.12
2 years	2 years	2 years

Delta Dental PPO + Premier Base	Delta Dental PPO + Premier Base	Delta Dental PPO + Premier Buy Up
\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)
\$1,000	\$1,000	\$1,500
None	None	None
100%	100%	100%
80%	80%	80%
N/A	N/A	50%
N/A	N/A	50%
N/A	N/A	\$1,250
N/A	N/A	Child and Adult
90th	OON	90th
Monthly Premium	Monthly Premium	Monthly Premium

\$17.07	\$16.66	\$31.90
\$59.90	\$58.46	\$98.73
\$37,129.33	\$36,236.88	\$62,662.67
-33%	-34%	14%
-\$18,067.51	-\$18,959.96	\$7,465.83
-\$216,810.12	-\$227,519.52	\$89,589.96
2 years	2 years	2 years

Delta Dental PPO + Premier Buy Up	Cigna	Cigna
\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$50 / \$150	\$50 / \$150
\$1,500	\$1,500	\$1,000
None	None	None
100%	100%	100%
80%	80%	80%
50%	50%	N/A
50%	50%	N/A
\$1,250	\$1,250	N/A
Child and Adult		
OON	UCR 90th	90th
Monthly Premium	Monthly Premium	Monthly Premium

\$31.17	\$33.12	\$29.15
\$96.60	\$128.27	\$95.66
\$61,294.53	\$78,173.11	\$60,030.29
11%	42%	9%
\$6,097.69	\$22,976.27	\$4,833.45
\$73,172.28	\$275,715.24	\$58,001.40
2 years	3 years	3 years

MetLife	MetLife
\$50 / \$150	\$50 / \$150
\$1,000	\$1,000
None	None
100%	100%
80%	80%
50%	50%
50%	50%
\$1,000	\$1,000
UCR 90th	MAC
Monthly Premium	Monthly Premium

\$27.44	\$22.62
\$90.09	\$74.26
\$56,529.97	\$46,597.52
2%	-16%
\$1,333.13	-\$8,599.32
\$15,997.56	-\$103,191.84
1 year; rate cap for years 2 and 3	1 year; rate cap for years 2 and 3

MetLife	MetLife
\$50 / \$150	\$50 / \$150
\$1,000	\$1,000
None	None
100%	100%
80%	80%
N/A	N/A
N/A	N/A
N/A	N/A
UCR	MAC
Monthly Premium	Monthly Premium

\$31.50	\$25.94
\$103.42	\$85.16
\$64,894.28	\$53,437.10
18%	-3%
\$9,697.44	-\$1,759.74
\$116,369.28	-\$21,116.88
1 year; rate cap for years 2 and 3	1 year; rate cap for years 2 and 3



2025 Dental Bids & Open Enrollment Information

Johnson City Schools | October 3, 2024



Gallagher

Insurance | Risk Management | Consulting

Niche Focused

Thank you for trusting us as your broker!

Relationships matter.

You can tell a lot about us by the clients we serve and their trust in us.

Marisa and Wes lead the Tennessee public sector practice group, founded in 2015 as Five Points and merging with Gallagher in December 2021.

Gallagher has a strong presence in the school and government markets throughout the nation and Tennessee, serving as benefits broker to thousands of governments and public schools. We have long-standing relationships with over 130 public sector benefit clients in the State of Tennessee alone.

Gallagher runs numerous public sector risk pools across the country as well, and we are in the feasibility study phase of starting a pool in TN. We have never had a pool fail while under our management – since the 1980s!

In addition, Gallagher's Tennessee footprint is strong with over 600,000 employee lives under benefits management.



98% retention rate means we are there for our clients when they need us most.



100+

Educational Entities



30+

Local Governments



600,000+

Covered Employees in Tennessee

Service Team

Thank you for trusting us as your broker!



**Marisa Combs
Smith, JD**
Area Executive Vice
President
Public Sector



Wes Dozier
Area Vice President
Public Sector



Ann-Marie Black
Service Team
Leader



Sandra Lindsey
Benefits Consultant
Public Sector



Payton Argo
Benefits Consultant
Public Sector



Tricia Mealer
Quoting Specialist /
State Health Plan
Comparisons

Additional Resources



Aeron Lucas
Senior Area Vice
President



Sean McLean, JD
Compliance
Attorney / ACA
Consulting



Charlotte Jensen
Senior Human Resource
Consultant



Maggie Hayes
Benefits Account
Manager
Public Sector



Malia LaPointe
Benefits Account
Manager
Public Sector

Kathy Vintevoghel
MyBenefitsChannel &
Payroll Integration
Specialist

Gary Jenkins
MyBenefitsChannel
Implementation
Specialist

Dental Bid Process

Requires Board Approval / Public Bid Due to Spending Public Dollars for Premium

REQUEST FOR PROPOSAL

DENTAL BENEFITS
City of Johnson City School System



RFP # 6795

RFP 6795 DENTAL BENEFITS FOR J C SCHOOLS
ATTACHMENT B

Johnson City Board of Education
SUBMISSION & QUALIFICATIONS FORM

Name of Company: _____

Name of Authorized Person: _____

Signature of Authorized Person: _____

Title: _____

Phone Number: _____

Email: _____

Tax ID: _____

Legal Structure: Corporation LLC Other: _____

Principal place of business: _____

U.S. Headquarters: _____

Having familiarized ourselves with the administrative, financial, and fulfillment requirements for the City, we hereby certify that we understand the depth, extent, volume and qualities of services required and propose and agree, if selected as the provider of these services, to furnish these services as specified in RFP # 6795:

We respond as to the following product(s) checked below:

Product	Bid
Dental	<input type="checkbox"/> Yes <input type="checkbox"/> No
Optional embedded COBRA administration?	<input type="checkbox"/> Yes <input type="checkbox"/> No

JCS contributes to the cost of dental insurance for employees.
In our experience, this is somewhat uncommon.

Dental Comparison

Public Bid Process

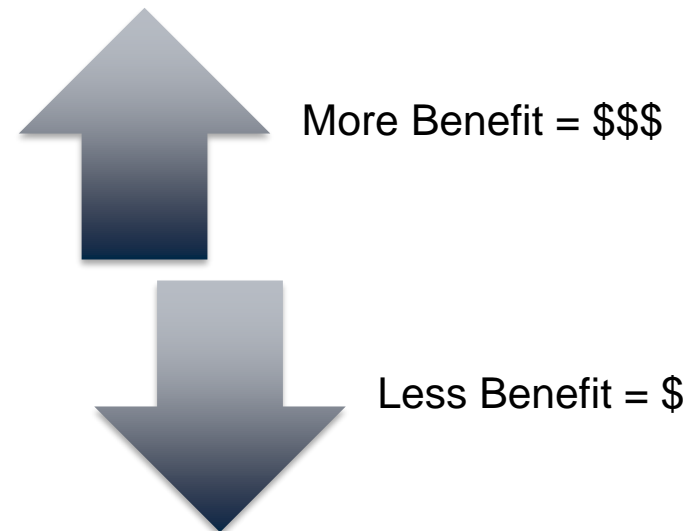
Ameritas (current) did not submit a bid despite our request.

Rank on Quotes as compared to current:

- (1) MetLife (Orlean Court on bid document; network concerns and only 1- year rate guarantee)
- (2) Delta Dental (outstanding network and 2-year rate guarantee – premier carrier in TN)
- (3) Cigna (more expensive)

All carriers quoted with a 10% commission to Gallagher for implementation, enrollment, and service support.

Delta Dental also included a \$5,000 Yr 1 technology credit for Gallagher's use in paying MyBenefitsChannel for the BenAdmin build (\$2,500 thereafter).



Dental Comparison

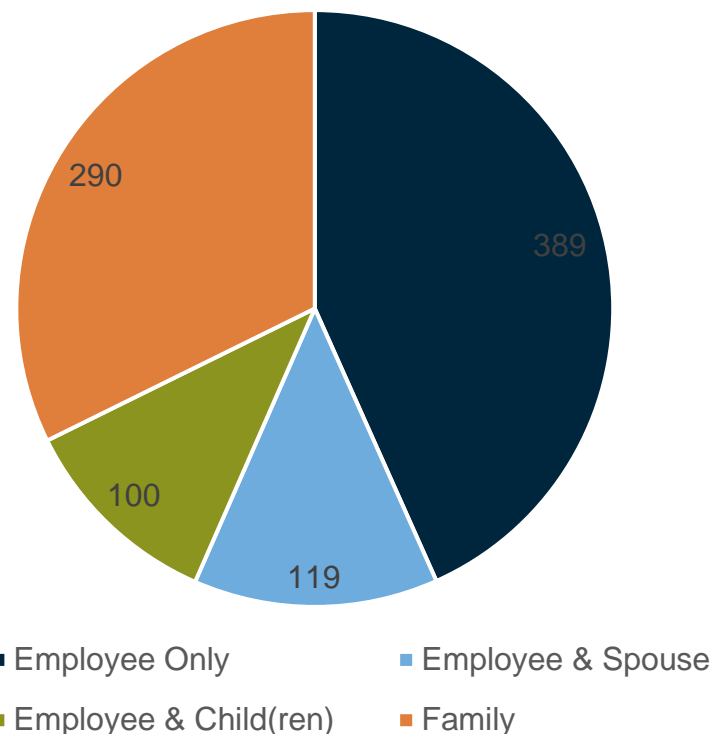
Participation in Dental Insurance

The latest National Association of Dental Plans (NADP) research shows that 88% of the population have dental coverage, including Americans receiving benefits through employer-sponsored or other group plans, individual plans, or public benefits.

NADP is the largest non-profit trade association focused exclusively on the dental benefits industry.

Participation is second to medical insurance and very important to employees as shown by strong participation.

Current Participation
898 Employees



Recommendation – Aligning to Current

Public Bid Process

Recommending: Delta Dental

Single Plan - Option 3 on the Bid Document

2 tier (we did consider 3 and 4-tiers)

Single plan option

Maximum benefit increased to **\$1,100**

Rollover benefit of \$1,000

Realign rate on EE only using savings from other tiers

Still saves money overall for JCS budget on contribution

2-year rate guarantee

Dental Insurance has a cap on benefit, unlike medical insurance given the Affordable Care Act.

Comparing Current to Single Plan Option

Benefits	Ameritas	Delta Dental PPO + Premier
Calendar Year Deductible (Individual/Family)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)
Annual Maximum Benefit	\$1,000	\$1,100
Benefit Waiting Period	None	None
Type 1: Preventive/Diagnostic		
Cleanings, Exams, Fluoride Treatment, Space Maintainers, X-Rays	100%	100%
Type 2: Basic Procedures		
Sealants, Fillings, Simple Extractions, Oral Surgery, Denture Repair, Anesthesia	80%	80%
Type 3: Major Procedures		
Endodontics, Periodontics, Crowns, Partials and Dentures, Implants, Inlays and Onlays, Bridges	50%	50%
Orthodontia		
Paid Amount	50%	50%
Lifetime Maximum	\$1,000	\$1,000
Child or Child/Adult	Child and Adult	Child and Adult
Network		
	90th	90th
Rates	Monthly Premium	Monthly Premium
Employee Only 389	\$26.80	\$27.86
Family 509	\$87.96	\$86.12
Monthly Premium	\$55,196.84	\$54,672.62
Percentage from Current		-1%
Monthly Difference		-\$524.22
Annual Difference		-\$6,290.64
Rate Guarantee		2 years

Comparing Cost of Delta Dental Single Plan Option

Public Bid Process

BASELINE						
Participation (Received from JCS)	Monthly Premium - In Force Ameritas	Current EE Rates per the 2024 Benefit Guide	JCS Monthly Contribution - Current In Force	Total Monthly Cost to JCS Budget - In Force Ameritas		
389	\$ 26.80	\$ 14.76	\$ 12.04	\$ 4,683.56		
119	\$ 87.96	\$ 53.80	\$ 34.16	\$ 4,065.04		
100	\$ 87.96	\$ 53.80	\$ 34.16	\$ 3,416.00		
290	\$ 87.96	\$ 53.80	\$ 34.16	\$ 9,906.40		
				\$ 22,071.00		Monthly JCS Cost
OPTION 3 – DELTA DENTAL (Two-Tier Rates)						
Participation (Received from JCS)	Monthly Premium - Option 3 Delta Dental Total	Proposed EE Rates in 2025	JCS Monthly Contribution - Delta Single Plan (Option 3 on Bid)	Total Monthly Cost to JCS Budget - Delta Single Plan (Option 3 on Bid)		Difference Over Current
389	\$ 27.86	\$ 14.76	\$ 13.10	\$ 5,095.90	\$	1.06
119	\$ 86.12	\$ 53.80	\$ 32.32	\$ 3,846.08	\$	(1.84)
100	\$ 86.12	\$ 53.80	\$ 32.32	\$ 3,232.00	\$	(1.84)
290	\$ 86.12	\$ 53.80	\$ 32.32	\$ 9,372.80	\$	(1.84)
		*Same as 2024		\$ 21,546.78		Monthly JCS Cost
				\$ 524.22		Monthly Saved
				\$ 6,290.64		Annual Saved

Recommendation – Introducing Two Plans

Public Bid Process

Recommending: Delta Dental

Dual Plans - Options 5 & 7 on the Bid Document

2 tier (we did consider 3 and 4-tiers)

Dual plan options (base + buy-up ortho)

Maximum benefit increased to **\$1,500**

Rollover benefit of \$1,000

Realign rate on EE only using savings from other tiers

Still saves money overall for JCS budget on contribution

2-year rate guarantee

Dental Insurance has a cap on benefit, unlike medical insurance given the Affordable Care Act

Comparing Current to Dual Plan Options

Benefits	Ameritas	Delta Dental PPO + Premier Base	Delta Dental PPO + Premier Buy Up
Calendar Year Deductible (Individual/Family)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)	\$0 (Type 1) \$50 / \$150 (Type 2 & 3)
Annual Maximum Benefit	\$1,000	\$1,000	\$1,500
Benefit Waiting Period	None	None	None
Type 1: Preventive/Diagnostic			
Cleanings, Exams, Fluoride Treatment, Space Maintainers, X-Rays	100%	100%	100%
Type 2: Basic Procedures			
Sealants, Fillings, Simple Extractions, Oral Surgery, Denture Repair, Anesthesia	80%	80%	80%
Type 3: Major Procedures			
Endodontics, Periodontics, Crowns, Partials and Dentures, Implants, Inlays and Onlays, Bridges	50%	N/A	50%
Orthodontia			
Paid Amount	50%	N/A	50%
Lifetime Maximum	\$1,000	N/A	\$1,250
Child or Child/Adult	Child and Adult	N/A	Child and Adult
Network			
	90th	90th	90th
Rates	Monthly Premium	Monthly Premium	Monthly Premium
Employee Only 389	\$26.80	\$17.07	\$31.90
Family 509	\$87.96	\$59.90	\$98.73
Monthly Premium	\$55,196.84	\$37,129.33	\$62,662.67
Percentage from Current		-33%	14%
Monthly Difference		-\$18,067.51	\$7,465.83
Annual Difference		-\$216,810.12	\$89,589.96
Rate Guarantee		2 years	2 years

Comparing Cost of Delta Dental Dual Plan Option

Base			
Participation	Existing Cost	New Cost - Base Plan	Difference
398	\$ 14.76	\$ 3.97	\$ (10.79)
119	\$ 53.80	\$ 27.58	\$ (26.22)
100	\$ 53.80	\$ 27.58	\$ (26.22)
290	\$ 53.80	\$ 27.58	\$ (26.22)
Buy Up			
Participation	Existing Cost	New Cost - Base Plan	Difference
398	\$ 14.76	\$ 18.80	\$ 4.04
119	\$ 53.80	\$ 66.41	\$ 12.61
100	\$ 53.80	\$ 66.41	\$ 12.61
290	\$ 53.80	\$ 66.41	\$ 12.61

Comparing Cost of Delta Dental Dual Plan Option

Base					
Participation (Received from JCS)	Monthly Premium - Option 5 Delta Dental Total	Proposed EE Rates in 2025 - Option 5	JCS Monthly Contribution - Delta Single Plan (Option 5 on Bid)	Total Monthly Cost to JCS Budget - Delta Single Plan (Option 5 on Bid)	
389	\$ 17.07	\$ 3.97	\$ 13.10	\$ 5,095.90	
119	\$ 59.90	\$ 27.58	\$ 32.32	\$ 3,846.08	
100	\$ 59.90	\$ 27.58	\$ 32.32	\$ 3,232.00	
290	\$ 59.90	\$ 27.58	\$ 32.32	\$ 9,372.80	
				\$ 21,546.78	Monthly JCS Cost
				\$ 524.22	Monthly Saved
				\$ 6,290.64	Annual Saved
Buy Up					
Participation (Received from JCS)	Monthly Premium - Option 5 Delta Dental Total	Proposed EE Rates in 2025 - Option 5	JCS Monthly Contribution - Delta Single Plan (Option 5 on Bid)	Total Monthly Cost to JCS Budget - Delta Single Plan (Option 5 on Bid)	
389	\$ 31.90	\$ 18.80	\$ 13.10	\$ 5,095.90	
119	\$ 98.73	\$ 66.41	\$ 32.32	\$ 3,846.08	
100	\$ 98.73	\$ 66.41	\$ 32.32	\$ 3,232.00	
290	\$ 98.73	\$ 66.41	\$ 32.32	\$ 9,372.80	
				\$ 21,546.78	Monthly JCS Cost
				\$ 524.22	Monthly Savings
				\$ 6,290.64	Annual Savings

JCS Enrollments

All Employees Should Take Care of Business in Two Separate Enrollments

	Medical	Dental, Vision, Voluntary
When?	October 1 – October 31	November 11 – November 22
Where?	Edison online enrollment only (State requires)	Benefit counselors at locations throughout the District
Details?	Enrollment Info Email with instructions	Enrollment Info Email with details of plan offerings
How?	Keying into computer	Face-to-face with a person

Open Enrollment

Open Enrollment is your annual opportunity to make changes to your benefits for the new plan year which is effective January 2025.

During Open Enrollment, you may opt to do the following:

- Change coverage
- Opt out of coverage (waive)
- Choose new benefit options (may require underwriting)
- Consider eligible family members in your health, dental, vision, and voluntary plans

The State Health Plan has specific rules for adding a Dependent, which applies to other benefits as well:

- Proof is required
- If you don't provide it by the deadline, they put you back in Employee only coverage

You can enroll in benefits if you

- Work at least 30+ hours per week
- Are classified as full-time

You can cover the following dependents where the plan allows it

- Legal spouse
- Children up to age 26 (they do not have coverage after they turn 26)
- Unmarried children of any age who are mentally or physically disabled

Open Enrollment

Elections made at Open Enrollment will remain until the next open enrollment unless you or your family members experience a qualifying event.

After Open Enrollment Closes, Changes Require a Qualifying Event

If you experience a qualifying event, changes must be made within 30 days.

Qualifying events include:

- Gaining a new dependent by Marriage, Birth, Adoption, or Placement for Adoption,
- Loss of Other Coverage
- Loss or Gaining Eligibility for Coverage for Medicaid or a State Children's Health Insurance Program

The State of Tennessee plan document applies to health insurance.

Hospital Indemnity – No Longer Offering in 2025

State Health Plan Rule

MEMORANDUM OF UNDERSTANDING BETWEEN THE STATE OF TENNESSEE AND LOCAL EDUCATION AGENCY

TERMS AND DEFINITIONS

1. **Additional Benefits** means benefit plans offered separately by Local Education Agencies, including those which provide (a) dental benefits, (b) vision benefits, (c) long-term care benefits, (d) disability insurance benefits, (e) life insurance benefits, (f) tort liability or workers' compensation benefits, (g) benefits for a specific disease and/or illness (e.g., cancer, heart, stroke), (h) benefits limited to a fixed amount per day (or other period) of hospitalization, (i) accident, death, and dismemberment benefits and (j) any other benefits approved in writing by the Division of Benefits Administration. Any of the above listed plans or policies which reimburses, subsidizes, supplements or pays the costs of participating in the Local Education Health Insurance Plan, or provides coverage, subsidies, credits or payouts of any kind for or related to services or pharmaceuticals covered by the Local Education Health Insurance Plan, including co-pays, member contributions, coinsurance and deductibles, **must** be submitted to benefits.info@tn.gov and approved in writing by the Division of Benefits Administration.

JCS is not supposed to allow enrollment in any payroll deducted hospital indemnity plans per the MOU with the State Health Plan.

11. Prohibition on other coverages:

(a) A LEA participating in the Local Education Health Insurance Plan **shall not** offer, subsidize or incentivize enrollment of individuals eligible for the state-sponsored group insurance program into any health plan, health insurance policy or medical expenses plan other than the state sponsored group insurance plan (including state offered voluntary benefits) and those plans which constitute "additional benefits" as defined in (b) below. A LEA participating in the Local Education Plan may offer additional benefits approved by Benefits Administration, instead of or in addition to the voluntary benefits in the state group insurance program.

(b) For the purpose of (a) above, the term "health plan" includes any health plan or policy, medical insurance plan or policy, excepted benefit policy, supplemental benefit policy, gap or bridge policy and any plan or policy that reimburses, indemnifies, contributes to, supplements or pays the costs of participating in the Local Education Health Insurance Plan, or provides coverage, subsidies or credits for services or pharmaceuticals covered by the Local Education Health Insurance Plan, including co-pays, member contributions, coinsurance and deductibles. For purposes of this MOU, this definition of "health plan" is not affected by whether a plan, or expenses paid under a plan, is considered a supplemental plan, health plan or an excepted benefit under Federal law.

(c) Failure of the LEA to provide the information required by paragraph number 6 regarding additional benefit plans may result in Benefits Administration assessing and collecting the costs incurred by the LEA's failure to cooperate. This assessment may include actuarial consulting fees and the additional cost to the plan caused by non-compliance. In addition, non-compliance may also result in termination of the LEA's participation in the plan.

(d) A LEA's offering, subsidizing or incentivizing participation in any product prohibited by section (a) above may result in Benefits Administration assessing and collecting the costs incurred by the LEA's failure to cooperate. This assessment may include actuarial consulting fees and the additional cost to the plan caused by non-compliance. In addition, non-compliance may also result in termination of the LEA's participation in the plan.

Disclaimers

Coverage Disclaimer

This proposal is an outline of the coverages proposed by the carrier(s) based upon the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. See the policies and contracts for actual language. This proposal is not a contract and offers no contractual obligation on behalf of GBS. Policy forms for your reference will be made available upon request.

Renewal / Financial Disclaimer

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

Legal

The intent of this analysis is to provide you with general information regarding the status of, and/or potential concerns related to, your current employee benefits environment. It should not be construed as, nor is it intended to provide, legal advice. Laws may be complex and subject to change. This information is based on current interpretation of the law and is not guaranteed. Questions regarding specific issues should be addressed by legal counsel who specializes in this practice area.



Gallagher

Insurance | Risk Management | Consulting

Questions
and
Thank you!



Marisa Combs Smith
Area Executive Vice President, Public Sector

Wes Dozier
Area Vice President, Public Sector



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