

6/6/23 5:15 p.m.

RESOLUTION NO. 34-2023 (As Amended 6/6/2023)

Offered by Councilmember Hudak

A RESOLUTION AUTHORIZING THE MAYOR AND THE FINANCE DIRECTOR TO ENTER INTO AN AGREEMENT WITH MUTUAL OF OMAHA FOR DENTAL INSURANCE FOR FULL-TIME VILLAGE EMPLOYEES AND DECLARING AN EMERGENCY.

WHEREAS, the Village's Mayor has recommended entering into an agreement with Mutual of Omaha to be the provider for dental insurance for full-time Village employees during the period July 1, 2023, through June 30, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Village of Richfield, Summit County, State of Ohio:

SECTION 1. That the Mayor and the Finance Director be, and they hereby are, authorized and directed to enter into an agreement with Mutual of Omaha for the Village's dental insurance effective July 1, 2023, in accordance with the offer from Mutual of Omaha, a copy of which offer is attached hereto as Exhibit "A" and incorporated herein fully as if by reference.

SECTION 2. It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulting in such formal action were in meetings open to the public, in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

SECTION 3. This Resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and welfare and for the further reason that it is immediately necessary in order to comply with the timing requirements of the program; wherefore, provided this Resolution receives the affirmative vote of two-thirds of the members of Council elected or appointed, it shall take effect immediately upon its passage and execution by the mayor; otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

PASSED: 6-6-2023

Joe A. Philippin
President of Council

ATTEST:
Jeffery...
Clerk of Council

Michael...
Mayor

Dated: 6/6/2023



Underwritten by **EXHIBIT A**
United of Omaha Life Insurance Company
Mutual of Omaha Insurance Company
Mutual of Omaha Affiliates

Group Insurance Proposal

Presented To:

Village of Richfield

Presented By:

Gibson Myers & Associates Inc

Includes:

Dental

June 5, 2023



DENTAL INSURANCE

Proposal for: Village of Richfield

Alternate: 4.01

The following Dental plan is being proposed on a fully-insured basis effective 07/01/23. This proposal assumes this coverage is underwritten by United of Omaha Life Insurance Company. For additional information about Mutual of Omaha's products and services, visit mutualofomaha.com.

ELIGIBILITY

CLASS DEFINITION(S)	Class 1: All Eligible Employees
ELIGIBILITY REQUIREMENT	This proposal provides coverage for all actively at work employees on the policy effective date working the minimum number of hours shown below in the United States, unless otherwise approved by Mutual of Omaha. Certain requirements apply.
MINIMUM WORK HOURS	Class 1: 30 or more hours each week

BENEFIT SUMMARY

LATE ENTRANT	Class 1	
	Applies to EEs who don't enroll when first eligible	
	TYPE A:	0 Months
	TYPE B:	12 Months
	TYPE C:	12 Months

POLICY YEAR DEDUCTIBLE	Class 1	
	In-Network	Out-Network
	Waived	Waived
	TYPE A	
	TYPE B, C	
	INDIVIDUAL:	\$50
	FAMILY:	3 times Individual

POLICY YEAR MAXIMUM	Class 1	
	In-Network	Out-Network
	\$1,000	\$1,000

COVERAGE LEVELS	Class 1	
	In-Network	Out-Network
	100%	100%
	TYPE A:	
	TYPE B:	90%
	TYPE C:	80%
		60%
		50%

The plan pays the percentage shown after the Policy Year deductible and any Waiting Period, if applicable, are satisfied.

The Policy Year deductible and maximum are cumulative for both In-Network and Out-Network Providers.

COBRA Administered by Policyholder.

PARTICIPATION AND COST SUMMARY

PARTICIPATION ASSUMPTIONS

Minimum Participation	Number of Eligible Employees	Employer Contribution Employees	Employer Contribution Dependents
97%	69	100%	100%

COST SUMMARY CLASS 1

Employee Only
Employee + Family
Total (All Classes)

Assumed Lives	Monthly Rates*	Monthly Premium	Annual Premium Sub-Total
20	\$24.45	\$489.00	\$5,868.00
47	\$68.58	\$3,223.26	\$38,679.12
67		\$3,712.26	\$44,547.12

*The rates quoted include the cost of state mandated benefits as of the date of this proposal.

RATE GUARANTEE 2 Years

RATE GUARANTEE DATE 07/01/2025

POLICY YEAR Calendar Year

ADDITIONAL BENEFITS

NETWORK

- In-Network provider allowances are based on contracted provider fee schedules.
- Out-Network provider maximum allowances are based on the 90th Percentile of Reasonable and Customary data.
- Charges that exceed the maximum allowance for any covered dental service are not considered.

CONTINUATION FOR FEDERAL AND STATE LAWS

Included – The federal Family and Medical Leave Act (FMLA) and Uniformed Services Employment and Reemployment Rights Act (USERRA) and any amendments thereto, as well as other applicable federal or state laws, may allow continuation of insurance in certain instances for leaves of absence, layoff or termination. Insurance may be continued for the time period allowed by the applicable law, for the employee/member and any dependent. This provision applies to employer and union groups only, subject to certain conditions.

COVERED SERVICES

TYPE A - PREVENTIVE & DIAGNOSTIC

- Exams: 1 service in a 6 month period
- Bitewing X-rays: 4 films in a 12 month period
- Full Mouth Series/Panoramic X-ray: 1 service in a 60 month period
- Fluoride: 1 service in a 12 month period for dependent children to age 14
- Cleaning: 1 service in a 6 month period
- Sealants: For dependent children to age 14
- Space Maintainers: For dependent children to age 14
- Brush Biopsy/Cancer Screen: 2 services in a 12 month period
- Harmful Habit Appliance: For dependent children to age 14

TYPE B - BASIC SERVICES

- Other X-rays
- Palliative Treatment: Emergency minor procedure
- Periodontal Maintenance: 2 services in a 12 month period
- Fillings: Amalgam and composite/resin fillings. Composite fillings on molars are limited to the amount otherwise payable for an amalgam filling
- Stainless Steel Crowns: For dependent children to age 16
- Simple Extractions
- Surgical Extractions
- Oral Surgery
- General Anesthesia or I.V. Sedation
- Endodontics
- Non-Surgical Periodontics
- Surgical Periodontics
- Repair of Full or Partial Dentures
- Repair of Bridges
- Repair of Cast Crowns, Inlays, Onlays, Labial Veneers

TYPE C - MAJOR SERVICES

- Dentures (Full or Partial): Replacement once in 10 years
- Bridges: Replacement once in 10 years
- Cast Crowns, Inlays, Onlays, Labial Veneers: Replacement once in 10 years
- Implants: 1 per tooth per lifetime



REQUIREMENTS AND ASSUMPTIONS

SIC CODE	9111
SITUS STATE	OH
ACCEPTANCE	This proposal is contingent upon Mutual of Omaha Home Office review and acceptance of the completed application for coverage. It is recommended that current coverage is not cancelled or dropped until notification of acceptance from Mutual of Omaha is received.
LIMITATIONS & STANDARD CONTRACT NOTICE	<p>This proposal is subject to Mutual of Omaha's standard product terms, limitations, and exclusions. Additionally, this proposal requires use of standard system-compatible benefits and contract provisions. Applicable federal and state mandates are added at issuance.</p> <p>This proposal also assumes that all employees/members reside in the situs state of the group. If any employees/members reside outside of the situs state of the group, we must be notified of the number of employees/members by state during the implementation process so that all applicable state mandates can be accommodated.</p> <p>Please refer to a sample standard contract, certificate booklet and/or subscription agreement documents for additional information and detail, available upon request.</p>
ERISA	Each plan presented in this proposal is considered to be an employer-sponsored ERISA benefit plan. If it is determined that any plan presented in this proposal is not an ERISA benefit plan, Mutual of Omaha reserves the right to re-rate or otherwise adjust the proposed plan(s).
PROPOSAL CONDITIONS	<p>Mutual of Omaha reserves the right to re-rate or withdraw this proposal <i>prior</i> to the effective date if any of the following changes:</p> <ul style="list-style-type: none">▪ SIC code▪ Employer contributions▪ Information regarding disabled or COBRA participants▪ For groups that are experience rated - risk increases based on review of the current carrier's claims experience, including open or pended claims▪ Demographics (age, gender, occupation, earnings, location and size)▪ Plan participation - increase or decrease of 10% or more lives▪ Laws, regulations, judicial and/or administrative orders and decisions affecting benefits, cost of administration, or cost of health care services▪ If employees are residing in extraterritorial jurisdictions that were not otherwise disclosed▪ Proposed effective date▪ Benefits or eligibility▪ Premium tax <p>On or after the effective date, Mutual of Omaha reserves the right to change rates or fees if there is a change in any factor listed above. In addition, Mutual of Omaha may change rates or fees any time after the most recent Rate Guarantee Date, provided at least 30 days advance notice of the rate or fee increase has been given to the group.</p>
DENTAL BID QUALIFICATIONS	<p>The rates and benefits quoted are based on preliminary enrollment data and subject to adjustments if final enrollment varies from preliminary enrollment data.</p> <p>If additional Dental quotes are offered, final rates may vary based on plan design, submitted case information and expenses.</p>
PROPOSAL EXPIRATION	This proposal is good for 90 days after 06/05/2023, or the assumed effective date of the plan, whichever comes first.

DENTAL ENROLLMENT

Eligible employees and their dependents may elect coverage during the initial enrollment period or any subsequent enrollment period. Any Benefit Waiting Periods or Late Entrant Waiting Period will apply during the subsequent enrollment period.

This proposal assumes annual enrollments take place 30 days prior to the renewal date of the plan.

DENTAL TAKEOVER

Maximum Credits: Current Policy Year maximums are automatically refreshed at takeover.

Deductible Credits: Deductibles satisfied in the current Policy Year will be recognized provided the plan member submits a copy of the prior carrier's Explanation of Benefits (EOB).

**DENTAL WORK IN
PROGRESS**

Standard procedures for work in progress when an account has moved their dental coverage to Mutual of Omaha are:

- Dentures and Bridgework - Covered only if the final impression is taken after the patient becomes eligible.
- Endodontics - Endodontic work is reimbursed based upon the completed date of service.
- Crowns, inlays, onlays, and labial veneers - Covered only if the final impression is taken after the patient becomes eligible.

TO: Village Council
Mayor Mike Wheeler
Laura Toth

CC: Jeff Gorman
Ben Chojnacki
Brian Frantz

FROM: Sandy Turk, Finance Director

RE: Resolution No. 34-2023 (As Amended 6/6/2023) for dental insurance for the June 6, 2023, Council Meeting

Date: June 6, 2023

ACTION BEING REQUESTED		TYPE OF REQUEST	
Consider Adoption		Dental Insurance Resolution	

The Mayor, Employee Insurance Committee, and Finance Department requests Resolution No. 34-2023 (As Amended 6/6/2023) be considered for adoption at the June 6, 2023 Council meeting for employee dental insurance. This resolution authorizes a two-year agreement with Mutual of Omaha. Currently, 67 full-time employees are covered by MetLife effective July 1, 2022, through June 30, 2023. Six quotes were received for this service and Mutual of Omaha was the low bidder.

The current rates for employee only and family coverage are \$26.74 and \$74.99 per month, respectively. This represents a current cost of \$48,712. MetLife's renewal was going to cost \$51,843. Mutual of Omaha rates for employee only and family coverage are \$24.45 and \$68.58 per month, or \$44,547 annually. This is a savings of \$7,296 annually, or 14.1%. The Village pays 100% of the cost with no employee participation in paying a percentage of the premiums.

Let me know if you have any questions.

Attachment

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