



Bend City Council
July 2, 2007 Council Meeting

Issue Summary
Consent Agenda A

Department: Human Resources Staff Member: Janice Grady

Authorize City Manager to enter into a contract for employee dental insurance with Oregon Dental Service.

Staff Review and Recommendation to Council: Authorize the City Manager to renew the City's contract for employee dental insurance with Oregon Dental Service.

Background: The City of Bend group dental insurance policy will expire July 31, 2007. Oregon Dental Service (ODS) has been the City of Bend's dental carrier for the last twelve years.

In terms of the City's legal requirements related to dental insurance coverage, the City is required by conditions of contracts with its three bargaining units to provide the "current benefit level" for dental insurance coverage. Essentially, the City is required to match the existing plan coverage unless the bargaining units agree to changes. The proposal from ODS for FY 2007-2008 meets the "current benefit level" for coverage.

Discussion of the Issue: The City routinely requests proposals for dental insurance each year. ODS has proposed to continue coverage with a **1.53% decrease** in the premium. Tom Spear of Johnson Benefit Planning, the City's agent of record for dental insurance, has reviewed the proposal. Mr. Spear and his associates believe the ODS proposal is properly priced based on an analysis of the claim experience and recommends the City accept the ODS proposal.

Secondary Issues: None

Committee Review and Recommendation to Council: The City of Bend Employee Insurance Committee membership has been consulted and recommends renewal with ODS.

Budgetary Considerations: The proposal is within budget. A 5% increase for dental insurance was included in the 2007-08 budget.

Staff Review and Recommendation to Council: Request the City Council to authorize renewal of employee group dental insurance with Oregon Dental Service.