

COUNTY OF NEVADA

DEPARTMENT OF HUMAN RESOURCES

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: April 27, 202127

TO: Board of Supervisors

FROM: Steven Rose, Director of Human Resources

SUBJECT: Resolution approving Amendment No. 1 to the Administrative Services Contract between the County of Nevada (“County”) and Delta Dental of California (“Delta Dental”) establishing a pre-fund deposit of \$150,000 to be paid by the County to Delta Dental and authorizing the Human Resources Director to execute the Amendment

RECOMMENDATION: Approve the attached Resolution.

FUNDING: Budget is available in the Dental Self-Insurance Fund 4498. A budget amendment is not needed and there is no impact to the General Fund.

BACKGROUND:

On December 15, 2020, the Board approved Resolution 20-517 whereby the County terminated our prior agreement with CSAC-EIA, our third-party administrator who contracted with Delta Dental on our behalf, and entered into a new Agreement directly with Delta Dental to provide dental insurance benefits to eligible enrollees.

Delta Dental pays all claims for County employees and retirees, as well as COBRA claims, and then invoices the County for reimbursement. Under our previous agreement the County provided a pre-fund deposit of \$95,775 for the pre-payment of claims. Upon the prior contract claims run-out period, which is December 31, 2021, Delta Dental will refund the County the balance of the pre-fund deposit currently being held by Delta Dental for the payout of all prior contract claims.

Under our new Contract, we do not have a pre-fund on deposit, so we are currently being invoiced on a weekly basis. The average weekly invoice is approximately \$30,000.00. Delta Dental requires a \$150,000 pre-fund deposit to pay claims so that we can move from weekly to monthly invoicing.

To create better efficiencies within the Human Resources Department as well as the Auditor’s Office, it is our desire to pay the \$150,000 deposit required to move to monthly invoicing.

Board of Supervisors

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Your consideration of this change is appreciated.

Item Initiated and Approved by: Steven Rose, Director of Human Resources

Submitted Date: April 2, 2021