

COUNTY OF NEVADA

DEPARTMENT OF HUMAN RESOURCES

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: August 20, 2024

TO: Board of Supervisors

FROM: Human Resources

SUBJECT: Resolution to adopt the three-year contract, for the period January 1, 2025, through December 31, 2027 with Ameritas to manage the dental and vision programs

RECOMMENDATION: Approve the attached Resolution.

FUNDING: This contract is funded through the Dental and Vision Internal Service Funds which combines employee payroll deductions, annual department budgets, and retiree contributions. The annual contract rates are based on per member, per month at \$7.75 for dental and \$3.60 for vision. The cost fluctuates based on the number of enrolled members each month, therefore the total annual cost to administer these plans is estimated at \$116,157 for Ameritas Dental PPO and \$52,791 for Ameritas VSP Signature Network. There is sufficient budget within the Dental and Vision Internal Services funds and there is no General Fund impact associated with this action.

BACKGROUND:

Nevada County currently has Delta Dental and VSP as plan administrators for the County's self-funded dental and vision plans.

For the last several years, County employees and retirees have experienced difficulties locating providers who accept Delta Dental. In response, the County modified its dental benefit to be the same for both in-network and out-of-network providers, however for out-of-network providers, County employees and retirees are paying fees upfront and then waiting for reimbursement resulting in financial hardships for plan participants.

Ameritas offers a stronger program for participating Dental providers, therefore expanding provider options and services. At the same time, Ameritas is able to take over our Vision plan on behalf of VSP without any change in service or benefits and at a reduced cost to the County plan. These contract changes will ensure a better benefit for

our employees, their families and retirees in several ways:

- Plan coverage in-network and out-of-network will not change
- Commitment to increase network providers in Nevada County area through recruitment efforts
- Network and non-network providers are treated the same, Ameritas paying 98% of claims directly to providers
- Ameritas does not require members to pay upfront for non-network claims
- Employees and retirees will receive benefit cards
- Annual dental cost savings to the plan of \$38,500
- Annual vision cost savings to the plan of \$19,500
- Contract rates guaranteed for three years
- Performance guarantee

Information Sessions regarding the Ameritas opportunity were held with union representatives on Monday, July 29th from 1-2pm and Tuesday, July 30th 11am-12pm. Human Resources staff answered questions related to there being no change in benefits provided to County employees (or retirees) with this change in Plan Administrator.

Your consideration of this matter is appreciated. If approved, Ameritas will be available at the Annual Health & Benefits Fair and during Open Enrollment beginning September 16th through October 11th, with coverage effective January 1, 2025. Additional outreach to retirees to communicate these changes will be provided during the Open Enrollment time frame.

Initiated and Approved by: Steve Rose, Director of Human Resources

Submitted: August 6, 2024