

**TOWNSHIP OF JEFFERSON
COUNTY OF MORRIS, NJ**

CONSENT AGENDA RESOLUTION #17-126

**“RESOLUTION TO RENEW CONTRACT WITH DELTA DENTAL PLAN OF NEW JERSEY INC.,
FOR A PERIOD OF ONE (1) YEAR”**

WHEREAS, the Township of Jefferson presently provides dental insurance coverage to its employees through a contract with Delta Dental Plan of New Jersey, Inc.; and

WHEREAS, the current agreement is set to expire on June 30, 2017; and

WHEREAS, the Township of Jefferson is desirous of renewing the contract with Delta Dental of New Jersey, 1639 New Jersey 10, Parsippany, NJ 07054; and

WHEREAS, Delta Dental has offered a one-year renewal with a rate decrease of 5.92% and the Township desires to renew for one (1) year at the rates listed below.

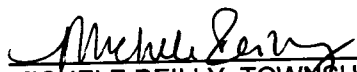
	Current Rates	One- Year Renewal Rate
One Party	60.87	57.27
Two Party	109.13	102.67
Three Party	195.86	184.27

NOW, THEREFORE, BE IT RESOLVED, that the Township Council of the Township of Jefferson, County of Morris, State of New Jersey, hereby approves a renewal of a contract with Delta Dental Plan of New Jersey, Inc. for a period of one (1) year from July 1, 2017 through June 30, 2018.

BE IT FURTHER RESOLVED that that the Mayor and Township Clerk are hereby authorized to execute the renewal agreements with Delta Dental of New Jersey, Inc., as described above.

ATTEST:

COUNCIL OF THE TOWNSHIP OF JEFFERSON:


MICHELE REILLY, TOWNSHIP CLERK
Dated: June 14, 2017


DEBI MERZ, COUNCIL PRESIDENT

CERTIFICATION: I, Michele Reilly, Clerk of the Township of Jefferson, County of Morris, State of New Jersey, do hereby certify the foregoing to be a true and exact copy of a resolution adopted by the Jefferson Township Council at a meeting held on June 14, 2017.


Michele Reilly, RMC, Township Clerk

NAME	MOTION	SECOND	AYE	NAY	ABSENT	ABSTAIN
Birmingham		X	X			
Finnegan			X			
Smith			X			
Dunham	X		X			
Merz			X			



**Jefferson Township
Group No. 01450**

Renewal Date: July 1, 2017
Experience Period: March 1, 2016 - February 28, 2017

Average Enrollment:	120
1. Incurred Liability	\$158,554
A. Paid Claims	(\$3,226)
B. Change in Reserve	\$155,328
C. Incurred Claims (A+B)	
2. Expected Claims Expense	\$183,887
3. Blended Incurred Claims (34% Credible)	\$174,177
4. Trend	-0.680%
5. Projected Incurred Claims (3X4)	\$172,993
6. Retention (Includes Delta's Standard Broker Commission)	\$32,706
7. Needed Renewal Premium (5+6)	\$205,699
8. Current Rate Level Premium	\$218,653
9. Needed Renewal Rate Adjustment (7/8)	-5.92%
10. Presented Renewal Rate Adjustment (One Year)	-5.92%
11. Presented Renewal Rate Adjustment (Two Year)	-2.62%

	Current Rates	One Year Renewal Rates	Two Year Renewal Rates	Average Enrollment
<u>Sub-location(s) -01</u>				
One Party	\$60.87	\$57.27	\$59.28	16
Two Party	\$109.13	\$102.67	\$106.27	36
Three Party	\$195.86	\$184.27	\$190.73	68
Annual Premium	\$218,653	\$205,714	\$212,926	120
\$ Change		-\$12,939	-\$5,727	

Prepared by Kyle Freeman, CLU, RHU
March 17, 2017

[Handwritten Signature]

Mayor, Township of Jefferson

Attest:

[Handwritten Signature], Township Clerk



**Jefferson Township
Group No. 01450**

Proposed Fully Insured Program and Monthly Rates

Delta Dental PPOSM

	If a Delta Dental PPOSM Dentist is Used	If a Non-PPOSM Dentist is Used
Calendar Year Deductible		
Per Person	None	None
Family Aggregate Maximum	None	None
Waived for P&D	N/A	N/A
Preventive & Diagnostic		
Exams, Cleanings, Bitewing x-rays	100%	100%
Fluoride Treatment	100%	100%
Remaining Basic		
Fillings, Extractions, Oral Surgery, Sealants	70%	70%
Root Canals(Endodontics)	70%	70%
Periodontics	70%	70%
Crowns & Prosthodontics		
Crowns & Gold Restorations	70%	70%
Bridgework, Full & Partial Dentures	50%	50%
Calendar Year Maximum (per person)	\$2,000	\$2,000
Orthodontics		
Type	Child Only	Child Only
Coinsurance	50%	50%
Lifetime Maximum	\$3,000	\$3,000
	Proposed Delta Dental PPOSM Plan Rates	
	One Year Rates	Two Year Rates
One Party	\$44.96	\$46.53
Two Party	\$80.60	\$83.42
Three Party	\$144.65	\$149.72

Proposed rates are valid for enrollment on July 1, 2017 and include the current broker commission.

In the Delta Dental PPOSM program, the discounted in network fee schedule is used for out-of-network claims.

Prepared by Kyle Freeman, CLU[®], RHU[®]
March 17, 2017


CMFO'S Certification of Availability of Funds

I, William J. Eagen, hereby certify that sufficient funds are available with the adoption of the 2017 Budget, Health Insurance OE, for the purpose stated herein, all in accordance with requirements of the Local Budget Law NJSA 40A: 4-1, et.seq.

Purpose: Dental Coverage
Vendor: Delta Dental (DELTA 50)
Line Item No.: 7-01-23-210-210-272
Amount Certified: \$215,000.00

Total Certified Amount Not to Exceed: \$215,000.00

**Certified this 14th day of June, 2017
For 6/14/17 meeting**


William J. Eagen
Chief Financial Officer

cc: File