



Town Council Agenda Report

SUBJECT: Resolution

TITLE OF AGENDA ITEM:

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE TOWN OF DAVIE TO RENEW THE AGREEMENT WITH THE PRUDENTIAL INSURANCE COMPANY AS PROVIDER FOR DENTAL INSURANCE.

REPORT IN BRIEF:

To renew the Dental Insurance Agreement with Prudential Insurance.

PREVIOUS ACTION:

The original contract was approved by Resolution R-96-342, on November 6, 1996. The contract has been extended by Resolutions R-97-375, R-98-372, and R-99-350 on November 5, 1997, December 1, 1998 and November 17, 1999 respectively.

Prudential has determined a 5.6% rate increase for the DMO plan, and a 14.9% for the PDO plan. If approved, the new rates will go into effect January 1, 2001. After careful review, consideration and analysis of the calculations it is the opinion of the Town's consultant, Marsh, that the renewals are reasonable and justified. All the factors surrounding the renewal (marketplace, trend, provider access, etc.) were reviewed, and based on the parameters used, provide the best and most cost effective option available at this time. The new rates are attached.

CONCURRENCES:

Not applicable

FISCAL IMPACT:

Is appropriation required?	yes		
Funding appropriated?	yes	Account name:	Insurance

RECOMMENDATION(S): Motion to approve the resolution

Attachment(s): Resolution, Dental rate renewal

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE TOWN OF DAVIE TO RENEW THE AGREEMENT WITH THE PRUDENTIAL INSURANCE COMPANY AS PROVIDER FOR DENTAL INSURANCE.

WHEREAS, the Town of Davie entered into an agreement between the Town of Davie and the Prudential Insurance Company to provide dental plans, pursuant to R-96-342; and

WHEREAS, it is in the best interests of the Town of Davie to renew this agreement from January 1, 2001 through December 31, 2001.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA.

SECTION 1. The Town of Davie is hereby authorized to renew the agreement with the Prudential Insurance Company for Dental Insurance from January 1, 2001 through December 31, 2001. Renewal rate information is attached hereto as Exhibit "A".

SECTION 2. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2000.

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2000.

Lynn B. Smith
Account Manager

Prudential HealthCare-South Florida
8201 Peters Road, Suite 3000
Plantation, FL 33324
Tel 954-382-6234 Fax 954-382-8200

Mr. Frank Cascone
Marsh, Incorporated
One Financial Plaza
Suite 2400
Fort Lauderdale, FL 33394

RE: Town of Davie Dental Renewal #59042

Dear Frank:

We have just completed their review of Town of Davie dental programs underwritten by Prudential HealthCare.

After review, the underwriters have determined that a 5.6% rate increase is required on the DMO plan, and the PDO will get a 14.9% rate increase. The rates below will go into effect January 1, 2001. The table below shows your current rates and the renewal rates.

	Current DMO	Current PDO	Renewal DMO	Renewal PDO
Employee Only	\$19.31	\$24.10	\$20.39	\$27.69
Employee + Family	\$52.15	\$65.07	\$55.07	\$74.77

We appreciate our relationship with Town of Davie and look forward to the opportunity to continue to provide the dental care services to the employees and their families in the future. Please contact me directly if you have any questions or wish to discuss.

Sincerely,



Lynn B. Smith
Account Manager

/lfs

Prudential HealthCare is a brand name licensed for a transition period from The Prudential Insurance Company of America ("Prudential") for health and dental products and services: (1) offered by former subsidiaries of Prudential acquired by Aetna Inc. and its subsidiaries; or (2) for which Aetna Life Insurance Company serves as reinsurer and administrator in accordance with agreements with Prudential.