



Hardee County School Board Agenda Analysis

Author: 
Greg Harrelson, Finance Director

Date:
July 9, 2020

Subject:
Dental renewal with Florida Combined Life 2020-21

Background Information:

Hardee School District has obtained dental insurance from Florida Combined Life (FCL) since 2010. FCL notified us that our rates for October 2020 to September 2021 will increase by 8% for all tiers due to our high loss ratio (claims vs. premiums) over the past five years.

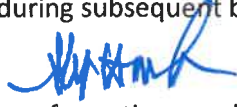
On June 9, 2020, the insurance committee and Albritton Insurance representatives met to discuss the proposed renewal and increase. During the meeting, District administration offered to absorb the 8% increase and not change the employees' payroll deductions for dental. District administration made the offer for the following reasons:

- Concern that an RFP for dental insurance in 2020-21 would not be finished in time for open enrollment.
- Because medical insurance provider and payroll deductions will change in 2020-21, wanted dental to remain constant if possible
- Florida Blue/ FCL offered to reduce our July 2020 dental premiums by 50% due to COVID-19

Insurance committee members voted unanimously to renew our dental insurance with FCL for October 2020 to September 2021 with an 8% increase. Insurance committee members instructed Albritton Insurance to prepare a request for proposal for dental and other ancillary insurance benefits for the 2021-22 year.

Administrative Consideration:

Master contracts for teachers and educational support professionals- Article for Insurance. Provided four-fifths of the insurance committee members agree to the recommendation, it shall be made directly to the School Board which shall either accept the recommendation or refer it back to the committee. If less than four-fifths of the committee members agree, the issue will be submitted to the parties' negotiations teams for resolution during subsequent bargaining.


Fiscal Impact: 

Dental premiums for active employees total about \$374,000 per year. The premiums are paid through employee payroll deductions and School Board contributions. An 8% increase will be about \$29,900. Dental premiums for retirees total about \$63,000 per year. Retirees pay all of their premiums.

Proposed Recommendation to School Board:

Recommend approval of dental insurance from Florida Combined Life for October 2020 to September 2021.

Action Required: Action Agenda


agenda analysis dental renewal

BOARD ACTION

7/9/2020
Approved



Greg Harrelson <gharrelson@hardee.k12.fl.us>

FCL Dental renewal 2020-2021

1 message

Nicole Leal <nleal@albrittonins.com>

Mon, Jun 1, 2020 at 5:20 PM

To: Greg Harrelson <gharrelson@hardee.k12.fl.us>, George Kelly <gkelly@hardee.k12.fl.us>

Cc: Derren Bryan <derren@albrittonins.com>

Good evening Gentleman,

We received the dental renewal from Florida Combined Life. Underwriting reviewed the group's claims experience through March 2020. The loss ratio is at 84.5%. Over the last 5 years, they have noticed an uptick in claims experience. The underwriter's notes say that the formula called for a 20% increase but they adjusted it down to 14.5%. After further negotiations, on behalf of the District with FCL, they have again adjusted the increase down to +8% over current. Attached is the revised renewal letter providing the rates with the 8% increase for the next 12 months. I do have the original renewal letter on file if you would like a copy of it. I've also attached the most recent 12 months claims experience through March.

Please advise if you agree to the rate increase and wish to renew as stated in the letter.

Thank you,

Nicole Leal

Albritton Insurance Services, LLC

Director of Contracts

Licensed Life & Health Agent

863-773-4101 (Wauchula office)

863-993-4101 (Arcadia office)

863-773-3615 (fax)

www.albrittonins.com

2 attachments **Hardee County District Schools REVISED 25Y0122.pdf**
89K **Hardee County Schools_Rolling 12 mos_Rpt_3009A_Claims_Monitoring_Report.xlsx**
9K



Florida Combined Life

An Independent Licensee of the
Blue Cross and Blue Shield Association

May 27, 2020

Nicole Leal
Hardee County District Schools
PO Box 1678
Wauchula, FL, 33873

REVISED

RE: Group Policy Number:
225L12

Renewal Date: October 01, 2020

Dear Nicole Leal :

Thank you for choosing Florida Combined Life Insurance Company, Inc. for your group Dental Insurance benefits. We value you as a customer and appreciate your business.

Your Group Dental Insurance Plan is about to renew. We have completed our annual review of your coverage with FCL, taking into account a variety of factors that affect rate development. After careful consideration and analysis, we have established your renewal rates for the next plan year. Your current and renewal rates are shown below. The renewal rates will take effect on your renewal date and are guaranteed for the following 12 months, subject to the terms and conditions of your group contract.

BlueDental Choice Plus True Group 225L12

	Current Rates	New Rates
Employee	\$ 34.44	\$ 37.19
Employee + Spouse	\$ 68.07	\$ 73.51
Employee + Child(ren)	\$ 67.51	\$ 72.91
Family	\$ 101.16	\$ 109.25

We look forward to continuing our relationship well into the future. Should you have any questions regarding this letter, please contact your local Florida Blue representative or telephone our office at 1-800-772-8244.

Sincerely,

Tracey Carbonell

Strategic Account Manager

cc: Agency: Albritton Insurance Services - 9232
Sales Rep: Robin MacDonald

Claims Monitoring Summary Report

Customer: HARDEE COUNTY DISTRICT SCHOOLS

Group: 225L12 - All Divisions

Period From: 4/1/2019 To : 3/31/2020

Month/Year	Claims Paid	Claims Count	Contracts	Members	Premium Billed	Premium Paid	Billed Loss Ratio
2019/04	\$28,271.70	183	724	1,299	\$37,405.07	\$37,504.88	76%
2019/05	\$30,062.27	183	724	1,300	\$37,438.16	\$37,408.04	80%
2019/06	\$42,368.30	255	694	1,244	\$35,804.89	\$36,013.52	118%
2019/07	\$28,407.88	191	679	1,219	\$35,021.45	\$36,201.09	81%
2019/08	\$26,875.39	188	678	1,219	\$34,919.73	\$34,648.55	77%
2019/09	\$26,906.85	162	678	1,218	\$34,886.66	\$35,019.77	77%
2019/10	\$24,753.98	194	697	1,265	\$36,173.54	\$34,716.64	68%
2019/11	\$20,100.80	140	701	1,277	\$36,409.97	\$35,877.51	55%
2019/12	\$33,416.09	201	703	1,281	\$36,613.06	\$37,735.65	91%
2020/01	\$36,819.35	243	703	1,271	\$36,547.46	\$35,582.04	101%
2020/02	\$31,654.77	190	699	1,260	\$36,376.05	\$36,546.63	87%
2020/03	\$37,266.00	210	702	1,261	\$36,412.65	\$36,103.63	102%
Total:	\$366,903.38	2,340	8,382	15,114	\$434,008.69	\$433,357.95	85%