



Peralta Community College District

Dental Marketing Results

March 27, 2014

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Agenda

- Introduction
- Dental Marketing
- Next Steps



Introduction: Alliant Employee Benefits

Best of Both Worlds



Consultants

- Actuarial/Funding Analysis
- Benchmarking
- Clinical Consulting
- Consumerism
- Data Analysis / Benchmarking
- Financial Reporting
- HR Consulting
- Legal/Compliance
- Pharmacy Benefit Management
- Program Re-Design
- Reserve Setting/IBNR
- Strategy Setting
- Surveys
- Wellness



- Service-Driven
- Technical Resources
- Team Depth
- Creative Solutions
- Employee Empowerment
- Higher Skill Set

Brokers

- Annual Renewal / Marketing Process
- Plan Design
- Contract / SPD Review
- COBRA
- Eligibility/Billing
- Enrollment & Communication Assistance
- Voluntary Benefits
- Extension of Company Benefits Department
- Negotiations
- Performance Metrics/Guarantees
- Vendor Management

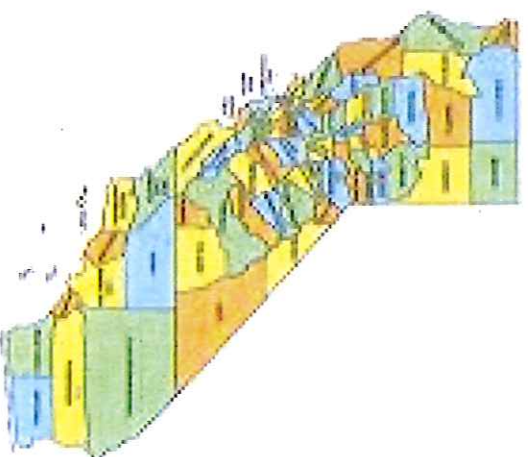
Introduction: Alliant Insurance Services Public Sector Experience



Alliant Insurance Services, Inc. is the largest public entity broker/consultant in California and brings to **Peralta Community College District** the experience gained from working with many of California's public entities. We have over 1,000 public entity clients, including many cities, counties, special districts, community college districts, and K-12 public schools, as either individual clients and/or as clients through our relationship with Joint Powers Authorities.

Our Client base includes:

- Over 300 Cities
- 56 of the 58 California Counties
- Over 300 School Districts
- 12 Joint Powers Authorities
- Over 200 Special Districts
- Over 100 Hospitals



Introduction: Alliant Employee Benefits

Partial Listing of Clients



EDUCATION & JPA	CITIES	COUNTIES	SPECIAL DISTRICTS
Alameda County Schools Insurance Group (ACSIG)	City of Alameda	County of Amador	AC Transit District
Association of California Water Agencies (ACWA JPIA)	City of Concord	County of Calaveras	Bay Area Air Quality Management District
Butte Schools Self-Funded Programs	City of Fremont	County of El Dorado	California Association of Highway Patrolmen
Cabrillo College	City of Livermore	County of Lake	Dublin San Ramon Special District
City College of San Francisco	City of Martinez	County of Merced	Napa Sanitation District
Coast Community College District	City of Merced	County of Napa	Placer County Water Agency
Long Beach Community College District	City of Mountain View	County of Nevada	Port of Oakland
Marin Community College District	City of Pacifica	County of San Joaquin	Santa Cruz Metropolitan Transit District
Monterey Peninsula College District	City of Pleasanton	County of San Luis Obispo	Turlock Irrigation District
Evergreen School District	City of Redding	County of Placer	Union Sanitary District
Pajaro Valley Unified School District	City of Richmond	County of San Mateo	Superior Court of Amador
Redwood Empire Schools Insurance Group	City of Sacramento	County of Santa Barbara	Superior Court of Calaveras
Santa Clara County Office of Education	City of San Bruno	County of Santa Clara	Superior Court of Colusa
Santa Cruz City Schools	City of San Leandro	County of Solano	Superior Court of Contra Costa
San Jose Evergreen Community College District	City of Santa Rosa	County of Stanislaus	Superior Court of Del Norte
Santa Clara Community College District	City of South San Francisco	County of Tehama	Superior Court of El Dorado
Santa Rosa Junior College	City of Sunnyvale	County of Tuolumne	Superior Court of Placer
Self-Insured Schools of California (SISC)	City of Vacaville	County of Yuba	Superior Court of Sonoma
South Orange County Community College District	City of Visalia		Superior Court of Stanislaus
West Hills Community College District	City of Walnut Creek		Superior Court of Tuolumne
	City of Yuba City		

Dental Marketing

Executive Summary



- Currently Peralta Community College District has a self-funded dental plan with Delta Dental (Premier Only) though ACSIG and a DHMO plan with United Health Care Dental (direct)
 - Alameda County Schools Insurance Group (ACSIG) is a Joint Powers Authority serving public schools throughout California (K-12, County Offices of Education, Community Colleges) since 1978
 - ACSIG offers Dental and Vision coverages
 - Between self insured and fixed rate pools, there are 84 members groups covering approximately 85,000 lives

Dental Coverage for Managers & Confidentialials (Except confidentials who elected furlough)		Dental Coverage for Regular Represented Employees in Local 39, 1021, PFT			
Single Party Coverage		<u>Delta Dental</u>	<u>United Health Care Dental</u>	<u>Delta Dental</u>	<u>United Health Care Dental</u>
Employee Pays	46.87	0.00	0.00	0.00	0.00
Peralta Pays	26.95	26.95	73.82	26.95	26.95
Total Cost	73.82	26.95	73.82	26.95	26.95
Two-Party Coverage		<u>Delta Dental</u>	<u>United Health Care Dental</u>	<u>Delta Dental</u>	<u>United Health Care Dental</u>
Employee Pays	82.38	0.00	0.00	0.00	0.00
Peralta Pays	43.11	43.11	125.49	43.11	43.11
Total Cost	125.49	43.11	125.49	43.11	43.11
Family Coverage		<u>Delta Dental</u>	<u>United Health Care Dental</u>	<u>Delta Dental</u>	<u>United Health Care Dental</u>
Employee Pays	126.24	0.00	0.00	0.00	0.00
Peralta Pays	65.69	65.69	191.93	65.69	65.69
Total Cost	191.93	65.69	191.93	65.69	65.69



Peralta's Current Dental Rates & Contributions

Dental Marketing

Executive Summary



- **Peralta Community College District currently has the Delta Dental Premier Network**
- **Alliant requested a quote from Delta Dental through ACSIG for a Delta Dental PPO + Premier network which results in savings for the District**
 - Delta Dental estimates network savings of 7.7% in projected claims if Peralta Community College District moves to PPO + Premier
 - If Peralta Community College District changes to Delta Dental PPO + Premier plan effective 7/1/2014, Peralta Community College District savings is estimated at \$86,831 annually (savings estimated at -8.3%) compared to the recommended 7/1/2014 renewal of -3.3% (*this equates to savings of \$122,000 compared to current rates*)
 - If Peralta Community College District had participated in Delta Dental's PPO + Premier Plan effective 7/1/2011 savings over the past 36 month timeframe is estimated at \$216,000
 - When employees go to a Delta Dental's PPO dentist, the plan design proposed includes an increase in the Calendar Year Maximum by \$100 – or a total Calendar Year Maximum of \$1,600 at PPO dentists

Dental Marketing Delta Dental Network



Services under the Delta Dental PPO network provide cost savings to the employee and the District with deeper discounted fees for services. Delta Dental is unique in that they have a second network of participating dentists in the "Premier Network". Within the PPO and Premier Networks, members can access up to 94% of the dentists in CA with **cost protection** and **no balance billing**



92%-96%
of Dentists



30% - 50%
Of Dentists

92%-96%
of Dentists

Dental Marketing

Network Utilization Report Summary



- Currently, 38.5% of Peralta's total claims dollars are in Delta Dental's PPO Network – however, savings are not realized because Peralta Community College District is currently purchasing Delta Dental Premier product
- Currently, 44.4% of Peralta's members are patients at a Delta Dental PPO provider
- For the 1/1/2013-12/31/2013 timeframe, 35.1% of Peralta's procedures were in the Delta Dental PPO Network

Dental Marketing

Delta Dental Calendar Year Maximum Report



DELTA DENTAL OF CALIFORNIA MAXIMUM REPORT

Peralta Community College District
Delta Group Number: 00938
Paid from: 01/01/2013 to 12/31/2013

	Users Reaching		
	Total Users	Maximum	Ratio
Primary Enrollee	599	99	16.5%
Spouse	288	35	12.2%
Child	353	23	6.5%
Total	1,240	157	12.7%

*Of all users enrolled in Peralta CCD's Delta Dental Plan, 12.7% of them are hitting the \$1,500 calendar year maximum

Dental Marketing Renewal History



ACSIG Self-Funded Dental Projections Peralta Community College District

July 2012 - June 2013 Rates

Recommended Renewal*

COBRA (ESTIMATED)**

Projection Period	7/1/2012 - 6/30/2013	7/1/2013 - 6/30/2014	7/1/2013 - 6/30/2014	
Single	269	\$74.29	\$73.82	\$75.30
Two Party	206	\$126.30	\$125.49	\$128.00
Family	234	\$193.17	\$191.93	\$195.77
Total	709	\$128.64	\$127.81	\$130.37
% Change			-0.6%	1.3%

*Originally provided to PSW Benefits on 1/31/2013 due to ACSIG administration decrease from 6.37% to 5.87% of claims

**COBRA rates provided are only estimates with 2% added to the recommended renewal rates.

Actual billed COBRA rates may vary and are the responsibility of the COBRA administrator.

Underwriting assumptions and notes:

Paid claims used in analysis are for the 12-months covering January 2012 to December 2012

Enrollment above is from January 2013

Rates include reduced ACSIG administration fee of 5.87% of paid claims and \$0.65 pepm Eligibility Fee

Margin of 0.0% has been included as a Claims Fluctuation Reserve

Dental Marketing Rates & Benefits-Delta Dental Plan Options



	Current Plan		Option 1		Option 2		Option 3			
	Delta Dental Premier Network In-Network	Out-of-Network	Delta Dental Premier Network In-Network	Out-of-Network	Delta Dental PPO+Premier Network PPO Network	Premier Network Out-of-Network	Delta Dental PPO+Premier Network PPO Network	Premier Network Out-of-Network		
Calendar Year Maximum	\$1,500		\$2,000		\$1,600	\$1,500	\$1,500	\$2,100	\$2,000	\$2,000
Calendar Year Deductible										
Individual / Family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Waived for Diagnostic & Preventive										
Diagnostic and Preventive	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Basic Services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Major Services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Crowns and Cast Restorations	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Prostodontics	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Orthodontics										
Eligible for Benefit	Child Only	Child Only	Child Only	Child Only	Child Only	Child Only	Child Only	Child Only	Child Only	Child Only
Benefit	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Lifetime Maximum	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Age Limitations										
Children (Years of Age)	26	26	26	26	26	26	26	26	26	26
Students (Years of Age)	26	26	26	26	26	26	26	26	26	26
Rate Projection Period	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015	July 1, 2014 - June 30, 2015
MONTHLY RATES										
Single	Current \$73.82	Projected 7/2014 Renewal \$71.37	Projected Proposed \$82.36	Projected Proposed \$65.47	Projected Proposed \$111.30	Projected Proposed \$130.70	Projected Proposed \$199.89	Projected Proposed \$76.88	Projected Proposed \$130.70	Projected Proposed \$199.89
Two Party	\$125.49	\$121.32	\$140.01	\$111.30	\$170.23	\$199.89	\$199.89	\$130.70	\$199.89	\$199.89
Family	\$191.93	\$185.55	\$214.15	\$170.23	\$170.23	\$199.89	\$199.89	\$130.70	\$199.89	\$199.89
MONTHLY PREMIUM	\$90,620	\$87,610	\$101,109	\$80,374	\$964,484.51	\$94,381	\$94,381	\$1,132,569.74	\$1,132,569.74	\$1,132,569.74
ANNUAL PREMIUM	\$1,087,442	\$1,051,316	\$1,213,308	\$964,484.51	\$964,484.51	\$964,484.51	\$964,484.51	\$1,132,569.74	\$1,132,569.74	\$1,132,569.74
ANNUAL DOLLAR CHANGE		-\$36,126	\$125,866	-\$122,957	\$964,484.51	\$964,484.51	\$964,484.51	\$1,132,569.74	\$1,132,569.74	\$1,132,569.74
ANNUAL PERCENT CHANGE		-3.3%	11.6%	-11.3%				4.1%	4.1%	4.1%

- Current funding rates provided by Peralta CCD
- Rate projections above include margin of 5%
- Most recent enrollment as of January 2014

Note: This summary is for informational purpose only. It does not amend, extend, or alter the current policy in any way. In the event information in this summary differs from the Plan Document, the Plan Document will prevail.

Dental Marketing Network Utilization Report



DELTA DENTAL OF CALIFORNIA NETWORK UTILIZATION REPORT WITH PROJECTED PPO (Excluding Orthodontics)

Peralta Community College District
Group Number: 00938
Time Period: 1/1/2013 - 12/31/2013

	Amount Approved	% to Total	Number of Users	% to Total	Number of Procedures	% to Total
Delta Dental PPO	\$ 459,126	38.5%	563	44.4%	3,000	35.1%
Delta Dental Premier	\$ 705,062	59.1%	677	53.4%	5,393	63.0%
Delta Dental Dentists Total	\$ 1,164,188	97.5%	1,240	97.9%	8,393	98.1%
Non-Network Dentists	\$ 29,379	2.5%	27	2.1%	162	1.9%
TOTAL	\$ 1,193,566	100.0%	1,267	100.0%	8,555	100.0%

Note: Projected Report

Dental Marketing

Dental Provider Count Comparison



Alameda County

Specialty	NPF Total			Delta Dental Premier®				Delta Dental PPO						
	Access Points	Unique Dentists	Unique Facilities	Access Points	Unique Dentists	%	Unique Facilities	%	Access Points	%	Unique Dentists	%	Unique Facilities	%
Endodontists	137	68	72	135	66	98.54%	72	100.00%	135	98.54%	66	97.06%	72	100.00%
General Dentists	1852	1303	817	1680	1160	90.71%	762	93.27%	718	38.77%	600	46.05%	373	45.65%
Oral Surgeons	164	75	67	161	74	98.17%	65	97.01%	145	88.41%	70	93.33%	65	97.01%
Orthodontists	234	119	93	227	115	97.01%	91	97.85%	154	65.81%	63	52.94%	36	38.71%
Pediatric Dentists	100	65	52	94	62	94.00%	48	92.31%	18	18.00%	16	24.62%	14	26.92%
Periodontists	173	80	97	166	76	95.95%	95	97.94%	160	92.49%	75	93.75%	95	97.94%
Prosthodontists	15	15	15	14	14	93.33%	14	93.33%	1	6.67%	1	6.67%	1	6.67%
Total	2675	1711	941	2477	1560	92.60%	887	94.26%	1331	49.76%	888	51.90%	495	52.60%

Unique dentists and unique facilities totals DO NOT reflect the sum of the counts by specialty. If a dentist or facility has more than one specialty, the dentist or facility will only be counted once.

Contra Costa County

Specialty	NPF Total			Delta Dental Premier®				Delta Dental PPO						
	Access Points	Unique Dentists	Unique Facilities	Access Points	Unique Dentists	%	Unique Facilities	%	Access Points	%	Unique Dentists	%	Unique Facilities	%
Endodontists	83	58	44	82	57	98.80%	44	100.00%	82	98.80%	57	98.28%	44	100.00%
General Dentists	1207	812	498	1140	750	94.45%	466	93.57%	410	33.97%	363	44.70%	208	41.77%
Oral Surgeons	114	70	45	112	68	98.25%	44	97.78%	98	85.96%	62	88.57%	44	97.78%
Orthodontists	191	112	82	182	104	95.29%	77	93.90%	116	60.73%	53	47.32%	19	23.17%
Pediatric Dentists	69	50	39	66	49	95.65%	37	94.87%	11	15.94%	9	18.00%	10	25.64%
Periodontists	117	61	58	116	61	99.15%	57	98.28%	111	94.87%	61	100.00%	57	98.28%
Prosthodontists	18	17	15	14	13	77.78%	12	80.00%	1	5.56%	1	5.88%	1	6.67%
Total	1799	1176	614	1712	1100	95.16%	580	94.46%	829	46.08%	605	51.45%	295	48.05%

Unique dentists and unique facilities totals DO NOT reflect the sum of the counts by specialty. If a dentist or facility has more than one specialty, the dentist or facility will only be counted once.

Dental Marketing

Claim Example #1



1110 Adult Prophylaxis

Delta Dental Premier (Current Plan)	Delta Dental PPO Dentists	Delta Dental Premier Dentists	Out-of-Network Balance Billing
Dentist's Charge for a Cleaning (Example)		\$75	\$75
Sample Plan Payment Allowance		\$55	No Fee Agreement
Coinsurance Amount		100%	100%
Delta Dental / PCCD Payment		\$55	\$60
Patient Payment		\$0	\$75 - 60 = \$15
Maximum Amount Dentist Receives		\$55	\$75

Illustrative Only

Delta Dental PPO + Premier (Proposed Plan)	Delta Dental PPO Dentists	Delta Dental Premier Dentists No Balance Billing	Out-of-Network Balance Billing
Dentist's Charge for a Cleaning (Example)	\$75	\$75	\$75
Sample Plan Payment Allowance	\$45	\$55	No Fee Agreement
Coinsurance Amount	100%	100%	100%
Delta Dental / PCCD Payment	\$45	\$55	\$60
Patient Payment	\$0	\$0	\$75 - 60 = \$15
Maximum Amount Dentist Receives	\$45	\$55	\$75

**PPO Providers offer the greatest discounts for services which will save the District money on claims*

***PPO Providers offer the greatest discounts for services, so the amount of money applied to an employee's calendar year maximum will be lower, stretching the amount of money further*

Dental Marketing Claim Example #2



Prosthodontic Services

	Delta Dental PPO Dentists	Delta Dental Premier Dentists No Balance Billing	Out-of-Network Balance Billing
Delta Dental Premier (Current Plan)			
Dentist's Charge for Removable Partial Dentures (Example)		\$1,500	\$1,500
Sample Plan Payment Allowance		\$1,300	\$1,400
Coinsurance Amount		50%	50%
Delta Dental / PCCD Payment		\$650	\$700
Patient Payment		\$1,300 - \$650 = \$650	\$1,500 - \$700 = \$800
Maximum Amount Dentist Receives		\$1,300	\$1,500

**Illustrative
Only**

	Delta Dental PPO Dentists	Delta Dental Premier Dentists No Balance Billing	Out-of-Network Balance Billing
Delta Dental PPO + Premier (Proposed Plan)			
Dentist's Charge for Removable Partial Dentures (Example)	\$1,500	\$1,500	\$1,500
Sample Plan Payment Allowance	\$1,100	\$1,300	\$1,400
Coinsurance Amount	50%	50%	50%
Delta Dental / PCCD Payment	\$550	\$650	\$700
Patient Payment	\$1,100 - \$550 = \$550	\$1,300 - \$650 = \$650	\$1,500 - \$700 = \$800
Maximum Amount Dentist Receives	\$1,100	\$1,300	\$1,500

*PPO Providers offer the greatest discounts for services which will save the District and the Employees money on claims

**PPO Providers offer the greatest discounts for services, so the amount of money applied to an employee's calendar year maximum will be lower, stretching the amount of money further

Conclusion

Next Steps

- Decision Process
- Timing
- Communications
- Next Steps



Disclosures



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This proposal is for information purposes only and does not amend, extend or alter the policy in any way. Please refer to the policy form for completed coverage and exclusion information.

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*Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

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Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.



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