

# San Francisco Health Service System Health Service Board

## **Rates and Benefits Committee**

### Delta Dental Retiree PPO 2019 Rating Recommendation

June 14, 2018

Prepared by:  
Health & Benefits



# Introduction

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This presentation outlines the 2019 rating recommendation for the Delta Dental of California (Delta Dental) fully insured retiree PPO plan.

All other dental plan rating decisions for the San Francisco Health Service System (SFHSS) 2019 plan year were approved at the May 10, 2018 Health Service Board (HSB) meeting.

- Active employee 2019 dental PPO rates were approved with a 4.1% overall total cost rate reduction from 2018 levels—including the five plan design and program enhancements presented on May 10.
- All 2019 rates for the DeltaCare USA and United Healthcare dental HMOs were approved with no change in rates from 2018 levels (with DeltaCare USA rates now locked in through December 31, 2021).

# Recommendation

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Aon recommends that the HSB approve the 2019 Delta Dental retiree PPO insured plan rates as outlined in this presentation—with no change in rates from the 2018 premiums and the addition of Delta Dental's SmileWay program benefit to the retiree PPO plan.

These rates are guaranteed for a three-year period from January 1, 2019 through December 31, 2021.

# Delta Dental Retiree PPO 2019 Rating

Following the May 10 HSB meeting, Delta Dental agreed to offer the SmileWay benefit to the retiree dental PPO plan at no additional premium cost.

We recommend the addition of the SmileWay program to the retiree PPO dental plan effective January 1, 2019 with the monthly rates below. These rates are guaranteed through December 31, 2021.

	Monthly Rates: With SmileWay Program		
Rate Tier	2018	2019-2021	Rate Change
Retiree Only	\$45.77	\$45.77	No Change
Retiree + 1	\$91.04	\$91.04	No Change
Retiree + 2+	\$135.88	\$135.88	No Change

# Description of Program Enhancement

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The SmileWay program allows members with specific chronic conditions (diabetes, heart disease, HIV/AIDS, rheumatoid arthritis, or stroke) to receive an annual periodontal scaling and root planing procedure as well as more frequent teeth cleaning/periodontal maintenance services.

- These five conditions represent specific diseases that lead to inflammation in the body, and can be associated with inflammation of the gums.
- Periodontal/root planing services aid in reducing inflammation in the gums.

## Participants With Applicable Conditions

Delta Dental reports that over 4,300 retiree PPO plan members incurred at least one periodontal service in 2017—this enhancement will allow these services to be covered in full for retiree plan members in 2019 (presently subject to 20% cost share by members).

Data from SFHSS's Truven data reporting system shows 7,269 unique individuals in SFHSS retiree health plans in 2017 had at least one condition that maps to Delta Dental's SmileWay program—counts by condition are listed below (some have multiple):

Applicable SmileWay Condition	Retiree Plan Members
Diabetes	5,142
Heart Disease	1,948
HIV/AIDS	259
Rheumatoid Arthritis	278
Stroke	517

# Participants With Applicable Conditions

Delta Dental report for retirees indicate that:

Category	% Total	# Retiree Enrollees
High Risk*	51%	13,926
Low Risk**	29%	7,912
No Visits***	17%	4,536

SmileWay program will likely benefit many enrollees in the High Risk category.

\*Enrolled more than calendar year, visited dentist, presented with no oral risk factors

\*\*Had periodontal visits or root canals in last 3 years, received 3+ restorations in last 3 years, 2+ restorations in last 2 years, or 1+ restorations in last year

\*\*\*Enrolled more than calendar year, no visits