

Benefits Administration Committee Agenda

REGULAR MEETING

TUESDAY, JULY 9, 2024

TIME: 9:00 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

Important Message to the Public

An opportunity for the public to address the Committee in person from the Boardroom and provide comment on items of interest that are within the subject matter jurisdiction of the Committee or on any agenda item will be provided at the beginning of the meeting and before consideration of items on the agenda.

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Chair: Michael R. Wilkinson
Committee Members: Thuy Huynh
Sung Won Sohn
Manager-Secretary: Neil M. Guglielmo
Executive Assistant: Ani Ghokassian
Legal Counselor: City Attorney's Office
Public Pensions General
Counsel Division

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- I. PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA

- II. [APPROVAL OF MINUTES FOR THE MEETING OF JUNE 25, 2024 AND POSSIBLE COMMITTEE ACTION](#)
- III. [DENTAL PLAN REQUEST FOR PROPOSAL CONTRACT AWARD RECOMMENDATIONS AND POSSIBLE COMMITTEE ACTION](#)
- IV. [VISION PLAN REQUEST FOR PROPOSAL CONTRACT AWARD RECOMMENDATIONS AND POSSIBLE COMMITTEE ACTION](#)
- V. OTHER BUSINESS
- VI. NEXT MEETING: The next Benefits Administration Committee meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.
- VII. ADJOURNMENT



LACERS

LA CITY EMPLOYEES'
RETIREMENT SYSTEM



Board of Administration Agenda

SPECIAL MEETING

TUESDAY, JULY 9, 2024

TIME: 9:00 A.M.

MEETING LOCATION:

LACERS Boardroom
977 N. Broadway
Los Angeles, California 90012

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President: Annie Chao
Vice President: Sung Won Sohn

Commissioners: Thuy Huynh
Elizabeth Lee
Gaylord "Rusty" Roten
Janna Sidley
Michael R. Wilkinson

Manager-Secretary: Neil M. Guglielmo

Executive Assistant: Ani Ghoukassian

Legal Counsel: City Attorney's Office
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MINUTES OF THE SPECIAL MEETING
BOARD OF ADMINISTRATION
LOS ANGELES CITY EMPLOYEES' RETIREMENT SYSTEM

June 25, 2024

9:33 a.m.

PRESENT:	Chair:	Michael R. Wilkinson
	Committee Members:	Thuy Huynh Sung Won Sohn
	Commissioner:	Janna Sidley
	Executive Assistant:	Ani Ghoukassian
	Legal Counselor:	Sheri Cheung
	Manager-Secretary:	Todd Bouey

The Items in the Minutes are numbered to correspond with the Agenda.

Commissioner Sidley joined the Benefits Administration Committee meeting at 9:38 a.m., and this was a Special Meeting of the Board of Administration. Any votes were taken by Benefits Administration Committee members only.

I

PUBLIC COMMENTS AND GENERAL PUBLIC COMMENTS ON MATTERS WITHIN THE COMMITTEE'S JURISDICTION AND COMMENTS ON ANY SPECIFIC MATTERS ON THE AGENDA – Chair Wilkinson asked if any persons wished to speak on matters within the Committee's jurisdiction, and there were no public comment cards submitted.

II

APPROVAL OF MINUTES FOR THE MEETING OF MAY 28, 2024 AND POSSIBLE COMMITTEE ACTION – Committee Member Sohn moved approval, adopted by the following vote: Ayes, Committee Members Huynh, Sohn, and Chair Wilkinson -3; Nays, None.

III

VERBAL UPDATE ON 2025 HEALTH PLAN CONTRACT RENEWALS – Bordan Darm, Lead Consultant with Keenan Associates, and James Kawashima, Senior Benefits Analyst II, provided the Committee with an update and discussed this item for 10 minutes.

IV

HEALTH MANAGEMENT DATA REPORT – Robin Rager, Vice President-Health Management with Keenan Associates, James Kawashima, Senior Benefits Analyst II, and Karen Freire, Chief Benefits Analyst, presented and discussed this item with the Committee for 20 minutes.

V

OTHER BUSINESS – There was no other business.

VI

NEXT MEETING: The next Benefits Administration Committee meeting is not scheduled at this time and will be announced upon scheduling. Please continue to view the LACERS website for updated information on public access to Board/Committee meetings.

VII

ADJOURNMENT – There being no further business before the Committee, Chair Wilkinson adjourned the Meeting at 10:02 a.m.

Michael R. Wilkinson
Chair

Todd Bouey
Manager-Secretary



REPORT TO BENEFITS ADMINISTRATION COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: JULY 9, 2024
ITEM: III

Neil M. Guglielmo

**SUBJECT: DENTAL PLAN REQUEST FOR PROPOSAL CONTRACT AWARD
RECOMMENDATIONS AND POSSIBLE COMMITTEE ACTION**

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Committee recommend the Board:

- 1) Award of the Dental Plan Benefits contract to Delta Dental for the three-year period beginning with the 2025 plan year, with the option to renew up to two additional plan years, provided that renewal secures a pricing advantage for the Plan and premiums remain competitive, and
- 2) Delegate to the General Manager the authority to negotiate and execute these contracts, subject to City Attorney review.

Executive Summary

LACERS released a Request for Proposal (RFP) for Dental Plan Benefits in March 2024 to assess the marketplace for qualified vendors to provide Dental PPO and HMO (DHMO) plans for LACERS' eligible Retired Members, Survivors (i.e., surviving spouse or domestic partner), and eligible Dependents, having last conducted a dental plan RFP in February 2014.

Six proposals for Dental PPO and five proposals for Dental HMO were received and reviewed. Delta Dental, the incumbent, was determined to provide the best combination of quality, price, and various qualitative elements of required services based on the RFP criteria and is recommended as the finalist for both the dental PPO and HMO plans. Upon approval by the Board, LACERS and Keenan will conduct final contract negotiations in a timely manner to meet 2025 Open Enrollment timelines.

Discussion

LACERS administers a Self-Funded PPO (since Plan Year 2019) and Fully Insured HMO dental plan for its Retired Members and Survivors. The self-funded plan means LACERS assumes the risk for providing plan experience via claims, whereas the fully insured plan means the carrier assumes the risk for the plan experience via claims.

The RFP asked proposers to duplicate the current plan design. LACERS' Health and Welfare Consultant, Keenan and Associates (Keenan), conducted a review of the proposals and met with

LACERS staff to discuss how well each proposal met the requirements of the RFP. Here is a list of the proposers in alphabetical order:

Respondents for Dental PPO	Respondents for Dental HMO
1) Ameritas 2) Anthem 3) CIGNA 4) Delta Dental 5) MetLife 6) United Concordia	1) Anthem 2) CIGNA 3) Delta Dental 4) MetLife 5) United Concordia

Keenan and LACERS Health Division staff considered each carrier’s plan offerings, options, and the proposals. Evaluation was based on analysis of the bidder’s ability to meet the RFP requirements, reflective of constituents’ needs. Additionally, the best combination of quality and costs were weighed in consideration of the disruptions to Members and dental plan benefit designs. LACERS interviewed the finalists on June 24, 2024.

Selection

The following are the results of the evaluation, based on the RFP criteria (Attachment 1):

Level I – Four of the six carriers for PPO proposals and all five carriers for HMO proposals satisfactorily met the Level I preliminary review.

Level II – LACERS Health staff evaluated the proposers’ PPO and HMO questionnaire responses and analyzed and considered Keenan’s evaluation of the technical competencies and assessment of responses.

Level III – From the evaluation results of Level II, a finalist was chosen based on the best overall value, considering the combination of each proposal’s strength of service orientation, benefit offerings, costs, and other terms stated in the RFP.

The evaluation resulted in the following rankings, with Rank 1 being the best overall respondent:

	PPO Respondent	HMO Respondent
Rank 1	Delta Dental	Delta Dental
Rank 2	Cigna and MetLife (tie)	Anthem
Rank 3	Anthem	Cigna
Rank 4	United Concordia	MetLife
Rank 5	Ameritas	United Concordia

Evaluation and Analysis

Keenan and a team of LACERS Health staff conducted a comprehensive assessment, evaluation, and analysis. In addition to the costs and ranges of coverage, staff also considered plan continuity and the impact of plan transition that may result in service disruption and/or a cost-of-service difference to Retired Members and Survivors.

The total premium rates and administrative costs from each carrier were ranked based on the average proposed cost of all bids. The final negotiated rates will be brought to the Board for approval.

All dental carriers for the PPO offered a three-year rate guarantee except for MetLife which had a five-year rate guarantee. In general, geographical access to providers were similar across all PPO proposers.

All carriers who bid on the PPO also provided an HMO proposal, except for Ameritas. Delta Dental and MetLife's proposals have a 5-year rate guarantee, with a 5% and 4% rate cap for 2028 and 2029 plan year respectively. Anthem, Cigna, and United Concordia's proposals have a 3-year rate guarantee with no rate cap if the contract is extended by an additional two years.

Keenan's marketing report (Attachment 2) and a summary of staff's evaluation and ranking (Attachment 3) are included in this report. Keenan and staff are present to answer questions.

Conclusion

Overall, Delta Dental provided the strongest proposal to provide both the PPO and HMO plans, offering the best in-network discount and the opportunity for Members to continue accessing care and services without disruption to their plan benefits.

While Delta Dental's administrative costs to the PPO plan were relatively higher than some other proposals, they are consistent with current administrative cost rates, and this factor was outweighed by the proposals' other strengths, as detailed in the accompanying presentation. Factors considered in the proposal evaluations include disruptions to plan benefits, access to care and services, and cost for both LACERS Retired Members/Survivors and LACERS.

Based on staff and Keenan's analyses, it is proposed that the Committee support the staff's recommendation to award the Dental Plan contract to Delta Dental. Additionally, providing the Board with the option to extend this contract an additional two years presents the opportunity to secure a pricing advantage for the Plan. The industry standard for carrier contracts is to negotiate for terms that exceed three years. Prior to recommending a renewal, LACERS Health staff can work in consultation with Keenan to ensure premiums remain competitive by performing market checks.

The premiums for 2025 will be brought forth in a future report once negotiations are finalized.

Prepared By: Maricel Martin, Senior Benefits Analyst I,
Anni Quach, Benefits Analyst, and
Rainbow Sun, Senior Benefits Analyst I, of the Health, Wellness, and Buyback Division

NMG/DW:KF/RS/MM/aq

Attachments: 1. Dental Plan Benefits Request for Proposal Evaluation Criteria
2. LACERS 2025 Dental and Vision RFP Results – Keenan Report
3. 2024 Dental Plan Benefits RFP Evaluation Summary

**Dental Plan Benefits Request for Proposal
 Evaluation Criteria**

Proposers were evaluated based on the following levels of review:

Level I – Preliminary Review Process

The first level review included determination of: completeness of required documentation; compliance with LACERS’ administrative and general contracting requirements; and ability to meet the minimum requirements outlined in this RFP.

Level II – Review Criteria and Evaluation Process

The second level review includes evaluation of qualitative ratings. The qualitative evaluation ratings were based on Keenan’s assessment of the responses. The evaluations included objective assessments of each Proposer’s responses.

Evaluation of written responses is to be based on the following categories and the weights associated with each factor.

EVALUATION CRITERIA	POSSIBLE WEIGHT
<p>Organizational Strength and Plan Sponsor Services</p> <p>Proposer demonstrated relevant background, contractual issues, firm experience, and regulatory and compliance with regards to providing health plans and health benefits to Retirees, Survivors, and Dependents.</p>	10
<p>Administration Support and Account Management</p> <p>Firm demonstrates strong delivery of health plan and benefits implementation; claims processing; billing and eligibility; plan sponsor services; call center administration; and systems and cybersecurity.</p>	15
<p>Member Quality of Care, Resources, and Services</p> <p>Proposer clearly discloses relevant services offered in enrollment; member call center services; customer service and Quality Control Grievances and Appeals; member advocacy and support services; quality measurement standards; online resources; wellness resources; condition management resources; and applicable/relevant miscellaneous services.</p>	15
<p>Access to Care/Network</p> <p>The evaluation of Access to Care/Network of each firm will be based upon the bidder’s: Provider Groups/Network/Geographic Access; Emergency/Urgent Care Access & Extended Hours; and Formulary/Rx Tier Disruption. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis.</p>	30

<p>Value of Cost and Plan Design</p> <p>The evaluation of the relative cost and value for each firm based upon its submission of the proposed fee schedule by premium costs and rate commitments; provider reimbursements and discounts; hospital and outpatient facility charges; fee guarantee and/or fee caps; performance guarantees; and plan design adequacy. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis. LACERS expects the cost proposal to include details of all costs associated with the scope of services contained in this RFP.</p>	30
<p>TOTAL POINTS</p>	100

Level III – Selection of Finalists, Reference Checks, Site Visits, Interviews

The third level review included evaluation based on the following criteria:

- Qualification and experience of the firm and the key personnel assigned to the project,
- Demonstrated understanding and ability to address LACERS' unique needs,
- Strength of client service orientation,
- Reasonableness of costs and value, and
- Positive contracting history.

Keenan[®]

BAC Meeting: 07/09/2024
Items III and IV
Attachment 2

LACERS 2025 Dental and Vision RFP Results

May 21, 2024

Respectfully Submitted by:
Bordan Darm, Lead Consultant
Erin Robinson, Service Consultant
James Takamatsu, Actuary

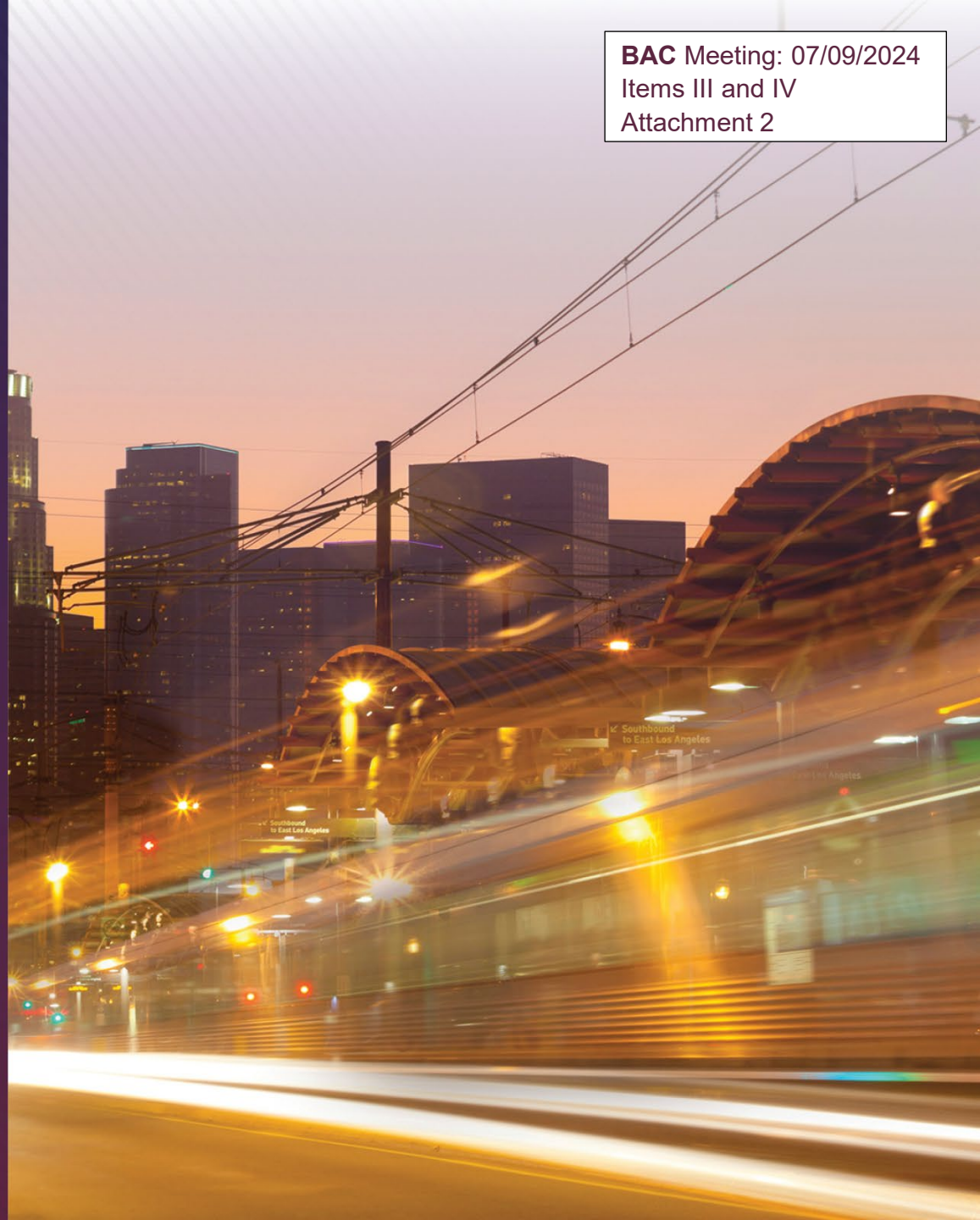


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Introduction

Dental and Vision RFP Response

LACERS conducted an RFP for PPO dental, DHMO dental, and vision coverage for a January 1, 2025, effective date.

The following carriers provided proposals:

- Delta Dental (dental only)
- Ameritas (dental and vision)
- Anthem (dental and vision)
- United Concordia (dental only)
- CIGNA (dental and vision)
- MetLife (dental and vision)

All carriers were asked to duplicate the current plan design

Quotes were to be provided on a fully insured basis and/or self-funded

LACERS	Delta Dental	Ameritas	Anthem	CIGNA	MetLife	United Concordia
Coverage: SF (self-funded), FI (fully-insured), BU (dental and vision quote offered bundled and unbundled)						
Dental PPO	SF	SF / BU	SF	SF	SF	SF
Dental HMO	FI	n/a	FI	FI	FI	FI
Vision	n/a	SF / BU	SF / FI	SF / FI	SF (Superior Vision)	n/a

# Attachment A	Ameritas	Anthem	CIGNA	Delta	MetLife	United Concordia
A Intent to Bid	Yes	Yes	Yes	Yes	Yes	Yes
A Minimum Qualifications	Yes	Yes	Yes	Yes	Yes	Yes
A Sub-contractor Disclosure	Yes	Yes	Yes	Yes	Yes	Yes
A Value Propositions	Yes	Yes	Yes	Yes	Yes	Yes
A Public Agency References	Yes	Yes	Yes	Yes	Yes	Yes
# Attachment B						
B Network Analysis	Yes	Yes	Yes	Yes	Yes	Yes
B Network Analysis Summary	Yes	Yes	Yes	Yes	Yes	Yes
B Questionnaire	Yes	Yes	Yes	Yes	Yes	Yes
B Exception to RFP	Yes	Yes	Yes	Yes	Yes	Yes
B Exceptions to Scope of Services	Yes	Yes	Yes	Yes	Yes	Yes
B Exceptions to Plan Design	Yes	Yes	Yes	Yes	Yes	Yes
B Sample Reports	Yes	Yes	Yes	Yes	Yes	Yes
B Geo Access	Yes	Yes	Yes	Yes	Yes	Yes
B Request for Proposal Warranty/Affadavit	Yes	Yes	Yes	Yes	Yes	No
B Proposer Disclosure Form	Yes	Yes	Yes	Yes	Yes	No
B Bidder CEC Form 50 - Bidders Disclosure	Yes	Yes	Yes	Yes	Yes	No
B Bidder CEC Form 55 - Prohibited Contricutions	Yes	Yes	Yes	Yes	No	No
B Sexual Harassment Policy Disclosure Form	Yes	Yes	Yes	Yes	Yes	No

Network Summary

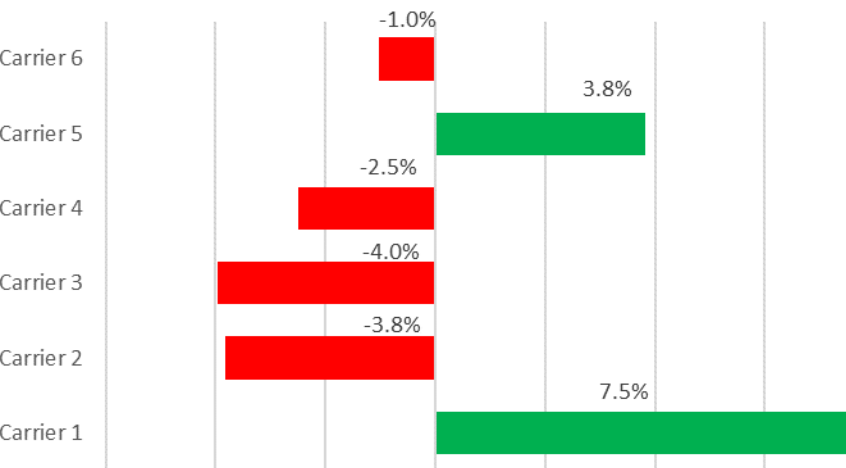
Dental PPO Member Disruption

LACERS	DPPO Analysis	Delta Dental	Ameritas	Anthem	CIGNA	MetLife	United
Procedures	In-Network	115,573	82,614	84,598	90,580	89,566	84,826
	Out-of-Network	12,595	45,554	43,570	37,588	38,602	43,342
	Total	128,168	128,168	128,168	128,168	128,168	128,168
	% In-Network	90.2%	64.5%	66.0%	70.7%	69.9%	66.2%
Submitted Charges	In-Network	\$ 25,894,133	\$ 18,618,096	\$ 18,918,840	\$ 20,724,111	\$ 20,613,093	\$ 19,193,397
	Out-of-Network	\$ 3,320,812	\$ 10,596,849	\$ 10,296,105	\$ 8,490,834	\$ 8,601,852	\$ 10,021,548
	Total	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945
	% In-Network	88.6%	63.7%	64.8%	70.9%	70.6%	65.7%
Providers	In-Network	6,618	4,697	6,003	5,268	5,162	6,050
	Out-of-Network	607	2,528	1,222	1,957	2,063	1,175
	Total	7,225	7,225	7,225	7,225	7,225	7,225
	% In-Network	91.6%	65.0%	83.1%	72.9%	71.4%	83.7%

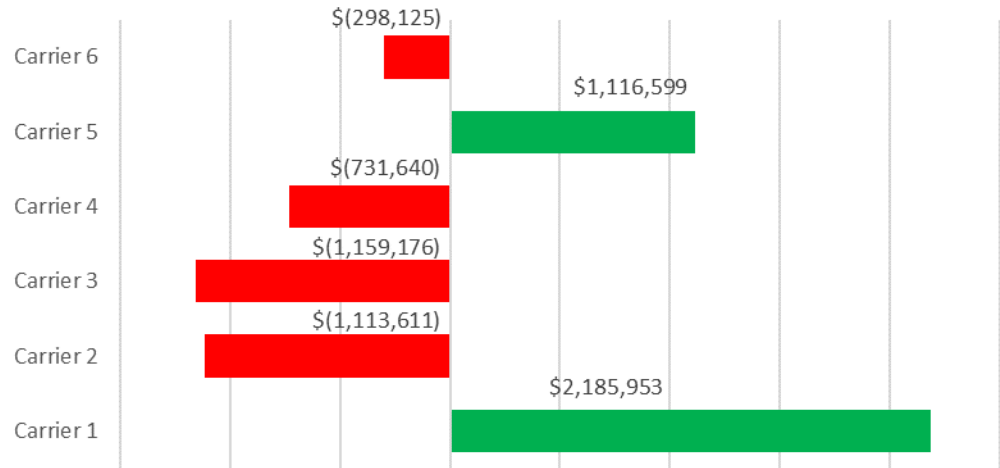
- Keenan had proposers reprice 128,168 PPO procedures done by 7,225 PPO providers, totaling \$29,214,945 in PPO submitted charges (plan year 2023)
 - Delta Dental had the highest coverage for in-network procedures at 90.2%, the remaining carriers were between 64.5% and 70.7%
 - Delta Dental had the highest in-network provider coverage with 91.6%, the remaining carriers were between 65.0% and 83.7%
 - Delta Dental had the highest in-network coverage for submitted charges at 88.6%, the remaining carriers were between 63.7% and 70.9%.

Dental In-Network Discount

Percentage Discount Relativity



Network Savings Relativity



- The In-Network discount is confidential and proprietary to each carrier.
- To give LACERS a discount perspective, Keenan prepared exhibits which show the relativity of each carriers' percentage discount and dollar discount to the overall average for all competitors combined on an unidentified basis.

Dental PPO and DHMO GeoAccess

GeoAccess Dental PPO	Ameritas	Anthem PPO	CIGNA PPO	Delta PPO	Delta Premier	MetLife PDP +	United Concordia PPO
Providers	453,055		111,888	91,280	123,961	113,107	106,574
Locations	69,454		70,164	63,197	84,434	73,216	75,709
2 Providers within 10 miles	97.8%	98.2%	98.5%	97.7%	98.0%	98.0%	98.5%
Retirees with Access	20,430	20,507	20,568	20,458	20,538	20,467	20,572
2 Providers within 5 miles	95.9%	96.4%	96.8%	95.7%	96.3%	96.0%	96.7%
Retirees with Access	20,023	20,131	20,216	20,054	20,174	20,044	20,202
2 Providers within 2 miles	89.6%	90.6%	92.8%	89.5%	90.6%	90.0%	92.7%
Retirees with Access	18,717	18,920	19,387	18,750	18,985	18,801	19,367
GeoAccess Dental HMO		Anthem DHMO	CIGNA DHMO		Delta DHMO	MetLife DHMO	United Concordia DHMO
Providers	Not provided		9,251	n/a	19,870	Provided for NJ and NV only	514
Locations			9,109		11,579		546
2 Providers within 10 miles		97.4%	93.2%		93.9%		93.3%
Retirees with Access		17,316	19,455		19,668		17,057
2 Providers within 5 miles		95.4%	90.0%		90.8%		83.9%
Retirees with Access		16,969	18,798		19,019		15,328
2 Providers within 2 miles		74.2%	76.9%		75.3%		45.1%
Retirees with Access	13,187	16,067	15,767	8,240			

GeoAccess reports measure the number of in-network providers within a desired parameter. Keenan requested each carrier run the GeoAccess report based on 2 providers within 10 miles, 2 providers within 5 miles, and 2 providers within 2 miles of member’s zip codes. The study does not take into consideration member’s current providers.

- All carriers show good PPO GeoAccess coverage.
- With the exception of United Concordia, all carriers show good DHMO GeoAccess coverage.

Vision GeoAccess

GeoAccess Vision Optometrists	Ameritas (EyeMed)	Ameritas (VSP)	Anthem	Cigna (EyeMed)	MetLife
Providers	34,620	28,803	35,633	46,047	26,430
Locations	25,342	24,772	n/a	31,822	8,402
2 Providers within 10 miles	95.3%	96.1%	95.4%	97.2%	93.5%
Retirees with Access	10,317	10,402	10,321	20,303	8,642
2 Providers within 5 miles	90.9%	91.9%	91.5%	94.3%	86.0%
Retirees with Access	9,842	9,945	9,903	19,694	7,950
2 Providers within 2 miles	72.9%	73.8%	74.5%	78.5%	54.3%
Retirees with Access	7,890	7,984	8,063	16,390	5,017

GeoAccess reports measure the number of in-network providers within a desired parameter. Keenan requested each carrier run the GeoAccess report based on 2 providers within 10 miles, 2 providers within 5 miles, and 2 providers within 2 miles of member's zip codes. The study does not take into consideration member's current providers.

- Ameritas, Anthem, and Cigna show good Vision GeoAccess coverage
- MetLife has the lowest coverage

Cost Ranking

Cost Summary – Dental PPO, Dental HMO, and Vision

- Several carriers requested their data be kept proprietary and confidential.
- Keenan has provided unidentified Carrier Cost Ranking:
 - LACERS has ranked the cost of administration, projected claim cost, and total cost (administration cost + projected claim cost) for the self-funded coverage.
 - The DHMO is fully-insured and only shows total cost ranking.
- Cost ranking shows the most favored carrier results ranked as 1.

Dental PPO Cost Ranking	PPO ASO Fee	PPO Claim Cost	PPO Total Cost
Carrier 1	6	1	1
Carrier 2	3	5	6
Carrier 3	1	6	5
Carrier 4	2	4	3
Carrier 5	4	2	2
Carrier 6	5	3	4
Dental HMO Cost Ranking			DHMO Total Cost
Carrier 1			4
Carrier 2			5
Carrier 3			1
Carrier 4			3
Carrier 5			2
Vision Cost Ranking	PPO ASO Fee	PPO Claim Cost	PPO Total Cost
Carrier 1	2	4	3
Carrier 2	4	3	4
Carrier 3	3	2	2
Carrier 4	1	1	1

Cost Summary – Rate Guarantees

- The following chart shows each Rate/Fee guarantees of each carrier

Rate Guarantee	Delta Dental	Ameritas	Anthem	Cigna	Metlife	United Concordia
Dental PPO	3 years 1/1/2025 - 12/31/2027 Rate Cap @ 5% 2028/2029	3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027 Rate Cap @ 4% 2028/2029	5 years 1/1/2025 - 12/31/2029	3 years 1/1/2025 - 12/31/2027
Dental DHMO	5 years 1/1/2025 - 12/31/2029 Rate Cap @ 5% 2028/2029		3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027	5 years 1/1/2025 - 12/31/2029 Rate Cap @ 4% 2028/2029	3 years 1/1/2025 - 12/31/2027
Vision		3 years 1/1/2025 - 12/31/2027	4 years 1/1/2025 - 12/31/2028	3 years 1/1/2025 - 12/31/2028	3 years 1/1/2025 - 12/31/2027	

Plan Design Summary

Dental PPO Plan Design

LACERS Dental DPPO	Delta Dental		Ameritas		Anthem		Cigna		Metlife		United Concordia	
General Plan Information	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out
Annual Deductible (Individual)	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Annual Deductible (Family)	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Annual Plan Maximum	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750
Waiting Period	None		None		None		None		None		None	
Out-of-Network Reimbursement	90th% UCR		90th% UCR		90th% UCR		90th% UCR		90th% UCR		90th% UCR	
Class I: Diagnostic & Preventive												
Diagnostic Services	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%
Sealants	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%
Class II: Basic												
Basic Services	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Endodontic Treatment	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Periodontic Treatment	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Class III: Major												
Major Services	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Prostodontics	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Implants	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Class IV: Orthodontia												
Lifetime Maximum	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Orthodontia (Child)	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Orthodontia (Adult)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Dental HMO Plan Design

LACERS Dental DHMO		Delta Dental	Anthem	Cigna	MetLife	United Concordia
Diagnostic & Preventive						
D0150	Comprehensive oral evaluation	\$0	\$0	\$0	\$0	\$0
D1510	Space maintainers	\$10	\$0	n/a	\$0	\$21
Restorative Services						
D2392	Composite filling (two surfaces, posterior)	\$55	\$10	n/a	n/a	\$109
Endodontics						
D3220	Therapeutic pulpotomy	\$0	\$0	n/a	\$0	\$9
D3310	Root canal therapy - Anterior	\$45	\$0	n/a	\$20	\$40
D3320	Root canal therapy - Bicuspid	\$90	\$35		\$20	\$60
D3330	Root canal therapy - Molar	\$205	\$75	\$335	\$20	\$95
Periodontics						
D4210	Gingivectomy (per quadrant)	\$80	\$10	n/a	\$25	\$20
D4260	Osseous surgery	\$175	\$95	n/a	\$25	\$50
D4341	Scaling and root planing (per quadrant)	\$0	\$0	\$83	\$0	\$15
Prosthodontics						
D5110	Complete (upper)	\$100	\$65	n/a	\$50	\$150
D5130	Immediate (upper)	\$120	\$75	n/a	\$50	\$165
Implant Services						
D6010	Surgical placement of implant body	Not covered	Optional Rider (\$850)	n/a	n/a	n/a
D6040	Surgical placement of epostal implant	Not covered	Optional Rider (\$850)	n/a	n/a	n/a
Crown and Bridge						
D6740	Crown - Porcelain/ceramic substrate	\$195	\$85	n/a	n/a	\$130
D6750	Crown - Porcelain fused to high noble metal	\$195	\$75	\$320	\$75	\$110
D6790	Crown - Full cast high noble metal	\$170	\$55	n/a	\$40	\$100
Oral Surgery						
D7220	Extractions (impacted tooth; soft tissue)	\$25	\$0	\$12	\$15	\$20
D7230	Extractions (impacted tooth; partial bony)	\$50	\$10	n/a	\$15	\$25
D7240	Extractions (impacted tooth; full bony)	\$70	\$20	\$115	\$15	\$30
Orthodontics - Comprehensive						
D8070	Children	\$1,700	\$1,695	n/a	\$1,000	\$1,500
D8090	Adults	\$1,900	\$1,895	n/a	\$1,350	\$2,000

Vision Plan Design

Vision Plan Design	Anthem		Ameritas		Ameritas		Cigna		Superior Vision (MetLife)	
	In Network	Non-Network	In Network (EyeMed)	Non-Network	In Network (VSP)	Non-Network	In Network	Non-Network	In Network	Non-Network
Copay										
Examination	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49
Retinal Screening	Up to \$39	Not covered	n/a	n/a	n/a	n/a	Up to \$39	Not covered	Up to \$39	Not covered
Benefit Frequency										
Examination	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Lenses	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Contacts	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Frames	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months
Lenses										
Single Vision Lens	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45
Bifocal Lens	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65
Trifocal Lens	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85
Lenticular Lens	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125
Progressive - Standard	Up to \$30	Up to \$85	Varies by lens	Not covered	Covered at lined bifocal allowance	Covered at lined bifocal allowance	Up to \$65	Up to \$85	Covered at lined trifocal allowance	Up to \$85
Contact Lenses										
Fit-and-Follow-Up - Standard	Covered in full	n/a	Up to \$40	Not covered	Up to \$60	Not covered	Covered in full	Not covered	Covered in full	Not covered
Fit-and-Follow-Up - Premium	10% off retail; Up to \$50 allowance	n/a	10% off retail	Not covered	n/a	Not covered	n/a	n/a	\$50 retail allowance	Not covered
Medically Necessary	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210
Contacts - Conventional	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105	\$120 Allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105
Contacts - Disposable	\$120 Allowance	Up to \$105	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105	\$120 Allowance	Up to \$105	\$120 Allowance; 10% off over allowance	Up to \$105
Frames										
	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 30% off over allowance	Up to \$70

Questionnaire Summary

Questionnaire Evaluation

- The Questionnaire asked each carrier to respond to over 150 questions.
- Keenan provided due diligence review of the carriers through analysis of the 150 question responses.
- It was determined that all proposing carriers met the minimum requirement for carrier consideration.
- The analysis provided insight to areas that needed questioning in the interview process and areas to address in the contract negotiation process.

Performance Guarantees Summary

Dental Performance Guarantees

Performance Guarantees	Ameritas	Anthem	CIGNA	Delta Dental	MetLife	United Concordia
Implementation	\$15,000	\$20,000	\$22,000 PPO \$4,750 DHMO	Incumbent	\$0	\$25,000
Ongoing	\$30,000	\$95,000	\$44,000 PPO \$5,250 DHMO	16% of Administration fee at risk	15% of Admin. PDP \$87,612, 2% premium DHMO \$14,882	25% of Administration fee at risk
Total - Year 1	\$45,000	\$115,000	\$76,000	\$139,360	\$102,494	\$147,964
Total - Year 2+	\$30,000	\$95,000	\$49,250	\$139,360	\$102,494	\$122,964
Additional Incentives						
PPO Recruitment	\$10,000	\$20,000	\$250,000 OON Outreach, \$250,000 OON Additions			
Wellness	\$15,000	\$10,000				
Network Savings / Utilization Guarantee		12%				

All six (6) respondents to the RFP provided Performance Guarantees in the following areas:

- Implementation,
- Carrier Performance, and
- Network Coverage

As part of LACERS *Well* program, LACERS will continue to negotiate the Performance Guarantees with each carriers.

Thank You!



2024 Dental Plan Benefits RFP – Evaluation Summary

July 9, 2024

Scoring Criteria

Organizational Strength & Plan Sponsor Services	Administration Support & Account Management	Member Quality of Care, Resources, & Services	Access to Care/Network	Value of Cost & Plan Design
<p>10 pts - Proposer demonstrated relevant background, contractual issues, firm experience, and regulatory and compliance with regards to providing health plans and health benefits to Retirees, Survivors, and Dependents.</p>	<p>15 pts - Firm demonstrates strong delivery of health plan and benefits implementation; claims processing; billing and eligibility; plan sponsor services; call center administration; and systems and cybersecurity.</p>	<p>15 pts - Proposer clearly discloses relevant services offered in enrollment; member call center services; customer service and Quality Control Grievances and Appeals; member advocacy and support services; quality measurement standards; online resources; wellness resources; condition management resources; and applicable/relevant miscellaneous services.</p>	<p>30 pts - The evaluation of Access to Care/Network of each firm will be based upon the bidder's: Provider Groups/Network/ Geographic Access; Emergency/Urgent Care Access & Extended Hours. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis.</p>	<p>30 pts - The evaluation of the relative cost and value for each firm based upon its submission of the proposed fee schedule by premium costs and rate commitments; provider reimbursements and discounts; fee guarantee and/or fee caps; performance guarantees; and plan design adequacy. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis. LACERS expects the cost proposal to include details of all costs associated with the scope of services contained in this RFP</p>

Dental PPO Carrier Ranking

Maximum 100 points

6 Carriers

Ranking based on points:

1. Delta Dental
2. Cigna & Metlife (*tie*)
3. Anthem
4. United Concordia
5. Ameritas

Rank 1 = Highest score

	Strength & Services	Support & Management	Quality	Access	Value	Overall
Ameritas	5	3	4	5	6	5
Anthem	3	2	2	3	5	3
Cigna	4	2	4	2	3	2
Delta Dental	1	1	1	1	1	1
MetLife	2	2	3	3	2	2
United Concordia	6	4	4	4	4	4

DPPPO Proposal Analysis: Ameritas

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> Number of in-network providers, in-network procedures coverage, and in-network coverage for submitted charges were the lowest compared to other carriers' proposals. The percentage of discount was second-to-last among the bidders. 	<ul style="list-style-type: none"> Although the count of providers was the highest among the carriers, the number of locations was second-to-lowest. Moreover, the percentage of access was lowest compared to the other proposers. 	<ul style="list-style-type: none"> 3-year rate guarantee Ameritas did not indicate a rate cap if the contract is extended by two years. The overall administration and claims cost was the highest. 	<ul style="list-style-type: none"> Ameritas matches current plan benefits. Wellness: <ul style="list-style-type: none"> Ameritas would implement surveys to help benchmark dental wellness levels and share a wellness blog. Ameritas will provide onsite support at wellness fairs and resources for LACERS events. Ameritas was unclear on the wellness contribution.

DPPO Proposal Analysis: Anthem

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> • Their number of in-network procedures and in-network coverage for submitted charges were second-to-lowest in ranking. • The number of in-network providers is in the middle range among proposals. • Compared to other carriers, Anthem had the lowest discount. 	<ul style="list-style-type: none"> • Compared to other bidders, Anthem’s numbers were generally in the middle of the range. 	<ul style="list-style-type: none"> • 3-year rate guarantee • Anthem did not indicate a rate cap if the contract is extended by two years. • The overall administration and claims cost was second-to-highest. 	<ul style="list-style-type: none"> • Anthem matches current plan benefits. • Wellness: <ul style="list-style-type: none"> • They emphasize preventative dental care. • Anthem will continue co-sponsoring and participating in LACERS Well events. • \$10,000 annual credit to support the LACERS Well initiatives that is not separate or additional from their medical or vision contribution.

DPPPO Proposal Analysis: Cigna

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> • Cigna’s in-network procedures is second after Delta Dental’s but the percentage difference is significant (19.5%). • The number of their in-network providers is mid-rank to other bidders. • Cigna’s discount was assessed at slightly below mid-rank. 	<ul style="list-style-type: none"> • While their percentages of subscribers with access to providers was highest to other bidders, Cigna’s number of providers was second-to-lowest. 	<ul style="list-style-type: none"> • 3-year rate guarantee • Cigna indicated a rate cap of 4% for 2028 and 2029. • The administration and claims cost ranked in the middle of bidders. 	<ul style="list-style-type: none"> • They did not indicate variances of their proposal to LACERS’ current plan benefits. • Wellness: <ul style="list-style-type: none"> • Cigna is willing to cosponsor events. • \$20,000 proposed annual contribution that is not separate from their dental DHMO and vision proposal.

DPPO Proposal Analysis: Delta Dental

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> Delta Dental had the highest percentages to other bidders in: in-network procedures coverage, in-network coverage for submitted charges, and number of in-network providers. 	<ul style="list-style-type: none"> Rating for their PPO offering was generally lowest or second-to-lowest. Their Delta Premier had the second-to-most number of providers and the most number of locations. Access was generally mid-rank compared to other bidders’. 	<ul style="list-style-type: none"> 3-year rate guarantee Delta Dental indicated a rate cap of 5% for 2028 and 2029. The administration fee was the highest among the bidders but is 0% change from current. Overall, the administration and claim cost is the lowest. 	<ul style="list-style-type: none"> They match current plan benefits. Wellness: <ul style="list-style-type: none"> Delta Dental has integrated services with the LACERS Well program. They have demonstrated the ability to integrate wellness services with the LACERS Well program. \$10,000 annual contribution that is not separate from their DHMO proposal.

DPPO Proposal Analysis: MetLife

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> MetLife had the second-to-lowest number of in-network providers among the bidders. Their percentage of in-network procedures and in-network coverage for submitted charges were mid-rank. Among the bidders, MetLife had one of the top percentage discounts. 	<ul style="list-style-type: none"> Their number of providers and locations was mid-rank to other bidders, but the percentage of access was generally near the mid-low rank. 	<ul style="list-style-type: none"> 5-year rate guarantee The overall administrative and claim cost is the second-to-lowest. 	<ul style="list-style-type: none"> Most of the benefits match LACERS' current plan benefits. They offered enhancements. Wellness: <ul style="list-style-type: none"> MetLife will help create educational outreach programs custom to participants' needs. They have educational materials available. \$10,000 credit that is not separate from their dental DHMO and vision proposal. They require +100 attendees for events.

DPPPO Proposal Analysis: United Concordia

Member Disruption	GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> • United Concordia’s in-network procedures and in-network coverage for submitted charges were at slightly below mid-rank among bidders. • Their in-network provider coverage is second to Delta Dental’s, at Rank 2. 	<ul style="list-style-type: none"> • While their number of providers seems second-to-lowest, the number of locations is second-to-highest. • Compared to other bidders, United Concordia’s access seems very good, ranking second after Cigna. 	<ul style="list-style-type: none"> • 3-year rate guarantee • No rate cap was indicated for 2028 and 2029 if contract is extended. • The overall administrative and claim cost is one of the higher costs. 	<ul style="list-style-type: none"> • They match current plan benefits. • Wellness: <ul style="list-style-type: none"> • A one-time credit for wellness contribution but did not specify amount. • An Oral Wellness Consultant will be provided to encourage routine dental visits. • They have a preventative member education approach with monthly email campaigns. • Additional charges for communication.

Dental HMO Carrier Ranking

Maximum 100 points

5 Carriers

Ranking based on points:

1. Delta Dental
2. Anthem
3. Cigna
4. Metlife
5. United Concordia

Rank 1 = Highest score

	Strength & Services	Support & Management	Quality	Access	Value	Overall
Anthem	2	3	3	2	2	2
Cigna	2	4	2	3	1	3
Delta Dental	1	1	1	1	1	1
MetLife	2	2	5	4	4	4
United Concordia	3	5	4	5	3	5

DHMO Proposal Analysis: Anthem

GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> While Anthem did not provide information for the number of providers and locations, their access numbers were second-to-lowest among the bidders. 	<ul style="list-style-type: none"> 3-year rate guarantee No rate cap indicated for 2028 and 2029 if contract is extended. Anthem’s DHMO cost is the highest among the bidders. 	<ul style="list-style-type: none"> Anthem does not match current plan benefits. Wellness: <ul style="list-style-type: none"> They emphasize preventative dental care. Anthem will continue co-sponsoring and participating in LACERS Well events. \$10,000 annual credit to support the LACERS Well initiatives that is not separate or additional from their medical or vision contribution.

DHMO Proposal Analysis: Cigna

GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> Cigna’s numbers for providers and locations are less than that of Delta Dental’s proposal – over 10,600 less providers and 2,400 less locations.. 	<ul style="list-style-type: none"> 3-year rate guarantee No rate cap indicated for Plan Years 2028 and 2029 if contract is extended. Cigna’s rate structure is the lowest cost among the bidders. 	<ul style="list-style-type: none"> They did not indicate variances of their proposal to LACERS’ current plan benefits. Wellness: <ul style="list-style-type: none"> Cigna is willing to cosponsor events. \$20,000 proposed annual contribution that is not separate from their dental PPO and vision proposal.

DHMO Proposal Analysis: Delta Dental

GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> Among the carriers who provided information, Delta Dental’s had the highest number of providers and locations. 	<ul style="list-style-type: none"> 5-year rate guarantee with a rate cap of 5% for 2028 and 2029 plan years. Delta Dental’s proposal ranked in the middle in terms of costs. 	<ul style="list-style-type: none"> They match current plan benefits and provided an alternative plan for LACERS to consider. Wellness: <ul style="list-style-type: none"> Delta Dental has integrated services with the LACERS Well program. They have demonstrated the ability to integrate wellness services with the LACERS Well program. \$10,000 annual contribution that is not separate from their dental PPO proposal. Delta Dental is willing to attend events.

DHMO Proposal Analysis: MetLife

GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> Keenan was unable to provide analysis; MetLife provided information for New Jersey and Nevada. 	<ul style="list-style-type: none"> 5-year rate guarantee, with rate cap of 4% for 2028 and 2028 plan years. One of the lower costs compared to proposals of other bidders. 	<ul style="list-style-type: none"> Most of the benefits match LACERS' current plan benefits. They offered enhancements. Wellness: <ul style="list-style-type: none"> MetLife will help create educational outreach programs custom to participants' needs. They have educational materials available. \$10,000 credit that is not separate from their dental DHMO and vision proposal. They require +100 attendees for events.

DHMO Proposal Analysis: United Concordia

GeoAccess	Cost	Plan Design
<ul style="list-style-type: none"> United Concordia did not show good DHMO GeoAccess coverage for the number of providers and locations. 	<ul style="list-style-type: none"> 3-year rate guarantee No rate cap indicated for Plan Years 2028 and 2029 if contract is extended. One of the lower costs among the proposals. 	<ul style="list-style-type: none"> They proposed a comparable DHMO product as they are unable to match the current benefits. Wellness: <ul style="list-style-type: none"> A one-time credit for wellness contribution but did not specify amount. An Oral Wellness Consultant will be provided to encourage routine dental visits. They have a preventative member education approach with monthly email campaigns. Additional charges for communication.



REPORT TO BENEFITS ADMINISTRATION COMMITTEE
From: Neil M. Guglielmo, General Manager

MEETING: JULY 9, 2024
ITEM: IV

Neil M. Guglielmo

**SUBJECT: VISION PLAN REQUEST FOR PROPOSAL CONTRACT AWARD
RECOMMENDATIONS AND POSSIBLE COMMITTEE ACTION**

ACTION: CLOSED: CONSENT: RECEIVE & FILE:

Recommendation

That the Committee recommend the Board:

- 1) Award the Vision Plan contract to Anthem for the three-year period beginning with the 2025 plan year, with the option to renew up to two additional plan years, provided that renewal secures a pricing advantage for the Plan and premiums remain competitive, and
- 2) Delegate to the General Manager the authority to negotiate and execute these contracts, subject to City Attorney review.

Executive Summary

LACERS released a Request for Proposal (RFP) for Vision Plan Benefits in March 2024 to assess the marketplace for qualified vendors to provide a vision plan for LACERS' eligible Retired Members, Survivors (i.e., surviving spouse or domestic partner), and eligible Dependents. The last vision plan RFP was conducted in February 2014. For 2023, LACERS paid \$892,146.85 in premiums and \$57,952.32 in administrative fees. The amounts are unaudited, and the 2023 year-end accounting is expected to be brought to the Committee in August.

This Vision RFP received proposals from four carriers. Anthem, the incumbent, was determined to provide the best combination of quality, price, and various qualitative elements of required services based on the RFP criteria and is recommended as the finalist for Vision Plan. Upon approval by the Board, LACERS and its Health & Wellness Consultant, Keenan & Associates (Keenan), will conduct final contract negotiations in a timely manner to meet 2025 Open Enrollment timelines.

Discussion

LACERS has been administering its self-funded vision plan since 2022. A self-funded plan means LACERS assumes the risk for providing plan experience via claims, whereas a fully insured plan

means the carrier assumes the risk for the plan experience via claims. The RFP invited proposals for a fully insured plan as an option; however, LACERS will continue with the self-funded option.

The RFP asked proposers to duplicate the current plan design. Keenan conducted a review of the proposals and met with LACERS staff to discuss how well each proposal met the requirements of the RFP.

Respondents for Vision Plan
1) Ameritas (self-funded and fully insured)
2) Anthem (self-funded and fully insured)
3) CIGNA (self-funded and fully insured)
4) MetLife (self-funded only)

Keenan and LACERS Health Division staff considered each carrier’s plan offerings, options, and proposals. The evaluation was based on analysis of the bidders’ ability to meet the RFP requirements, reflective of constituents’ needs. Additionally, the best combination of quality and costs were weighed in consideration of the disruptions to Members and vision plan benefit designs. LACERS interviewed the finalist on June 21, 2024.

Selection

The following are the results of the evaluation based on the RFP criteria (Attachment 1):

Level I – All carriers satisfactorily met the Level I preliminary review, which consists of completeness of required documentation, compliance with LACERS’ administrative and general contracting requirements, and ability to meet the minimum requirements outlined in RFP.

Level II – LACERS Health staff evaluated the proposers’ questionnaire responses and analyzed and considered Keenan’s evaluation of the technical competencies and assessment of responses.

Level III – From the evaluation results of Level II, the finalist was chosen based on the best overall value, considering the combination of each proposal’s strength of service orientation, benefit offerings, costs, and other terms stated in the RFP.

The evaluation resulted in the following rankings, with Rank 1 being the best overall respondent:

	Respondent
Rank 1	Anthem
Rank 2	Cigna
Rank 3	MetLife
Rank 4	Ameritas

Evaluation and Analysis

Keenan and a team of LACERS Health staff conducted a comprehensive assessment, evaluation, and analysis. Along with the costs and ranges of coverage, staff also considered plan continuity and how a plan transition may impact Retired Members and Survivors by resulting in a service disruption and cost difference.

The premium rates and overall administrative costs were ranked and analyzed. Keenan will negotiate the final premium rates and present them to the Board for approval.

All vision carriers provided a three-year rate guarantee except for Anthem, which had a four-year rate guarantee. In general, the benefits coverage for all bidders were the same except for those indicated in Attachment 3.

Keenan's marketing report (Attachment 2) and staff's ranking and analysis (Attachment 3) are included in this report. Keenan and staff are present to answer questions.

Conclusion

Based on overall value to LACERS Retired Members and Survivors, with consideration to plan design, network, disruptions to plan benefits, access to care and services, and cost for both LACERS Retired Members/Survivors and LACERS, Anthem is recommended to the Board for consideration.

Overall, Anthem's proposal presents the highest value to LACERS, considering the cost, plan design, and services provided to Members. Further, Anthem's network size is competitive, ranking second among the other providers. Having Anthem as a medical and vision provider would make it easier for Members to coordinate care with their physicians and provide ease of administration. In addition, Costco, a popular optometry retailer for Members, could be added as an in-network provider for glasses, frames, and contacts, subject to negotiations with Anthem.

Based on staff and Keenan's analyses, it is proposed that the Committee support the staff's recommendation to award the Vision Plan contract to Anthem. Additionally, providing the Board with the option to extend this contract an additional two years presents the opportunity to secure a pricing advantage for the Plan. The industry standard for carrier contracts is negotiating for terms exceeding three years. Prior to recommending a renewal, LACERS Health staff can work in consultation with Keenan to ensure premiums remain competitive by performing market checks.

The premiums for 2025 will be brought forth in a future report once negotiations are finalized.

Prepared By: Maricel Martin, Senior Benefits Analyst I, Anni Quach, Benefits Analyst, and Rainbow Sun, Benefits Analyst, of the Health, Wellness, and Buyback Division

NMG/DW/KF/RS/MM/aq

Attachments: 1. Vision Plan Request for Proposal Evaluation Criteria
2. LACERS 2025 Dental and Vision RFP Results – Keenan report
3. 2024 Vision Plan RFP Evaluation Summary

**Vision Plan Request for Proposal
 Evaluation Criteria**

Proposers were evaluated based on the following levels of review:

Level I – Preliminary Review Process

The first level review included determination of: completeness of required documentation; compliance with LACERS’ administrative and general contracting requirements; and ability to meet the minimum requirements outlined in this RFP.

Level II – Review Criteria and Evaluation Process

The second level review included evaluation of qualitative ratings. The qualitative evaluation ratings were based on the Consultant’s assessment of the responses. The evaluations included objective assessments of each Proposer’s responses.

Evaluation of written responses was based on the following categories and the weights associated with each factor.

EVALUATION CRITERIA	POSSIBLE WEIGHT
<p>Organizational Strength and Plan Sponsor Services</p> <p>Proposer demonstrated relevant background, contractual issues, firm experience, and regulatory and compliance with regards to providing health plans and health benefits to Retirees, Survivors, and Dependents.</p>	10
<p>Administration Support and Account Management</p> <p>Firm demonstrates strong delivery of health plan and benefits implementation; claims processing; billing and eligibility; plan sponsor services; call center administration; and systems and cybersecurity.</p>	15
<p>Member Quality of Care, Resources, and Services</p> <p>Proposer clearly discloses relevant services offered in enrollment; member call center services; customer service and Quality Control Grievances and Appeals; member advocacy and support services; quality measurement standards; online resources; wellness resources; condition management resources; and applicable/relevant miscellaneous services.</p>	15

<p>Access to Care/Network</p> <p>The evaluation of Access to Care/Network of each firm will be based upon the bidder's: Provider Groups/Network/Geographic Access; Emergency/Urgent Care Access & Extended Hours. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis.</p>	<p>30</p>
<p>Value of Cost and Plan Design</p> <p>The evaluation of the relative cost and value for each firm based upon its submission of the proposed fee schedule by premium costs and rate commitments; provider reimbursements and discounts; fee guarantee and/or fee caps; performance guarantees; and plan design adequacy. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis. LACERS expects the cost proposal to include details of all costs associated with the scope of services contained in this RFP.</p>	<p>30</p>
<p>TOTAL POINTS</p>	<p>100</p>

Level III – Selection of Finalists, Reference Checks, Site Visits, Interviews

The third level review included evaluation based on the following criteria:

- Qualification and experience of the firm and the key personnel assigned to the project,
- Demonstrated understanding and ability to address LACERS' unique needs,
- Strength of client service orientation,
- Reasonableness of costs and value, and
- Positive contracting history.

Keenan[®]

BAC Meeting: 07/09/2024
Items III and IV
Attachment 2

LACERS 2025 Dental and Vision RFP Results

May 21, 2024

Respectfully Submitted by:
Bordan Darm, Lead Consultant
Erin Robinson, Service Consultant
James Takamatsu, Actuary

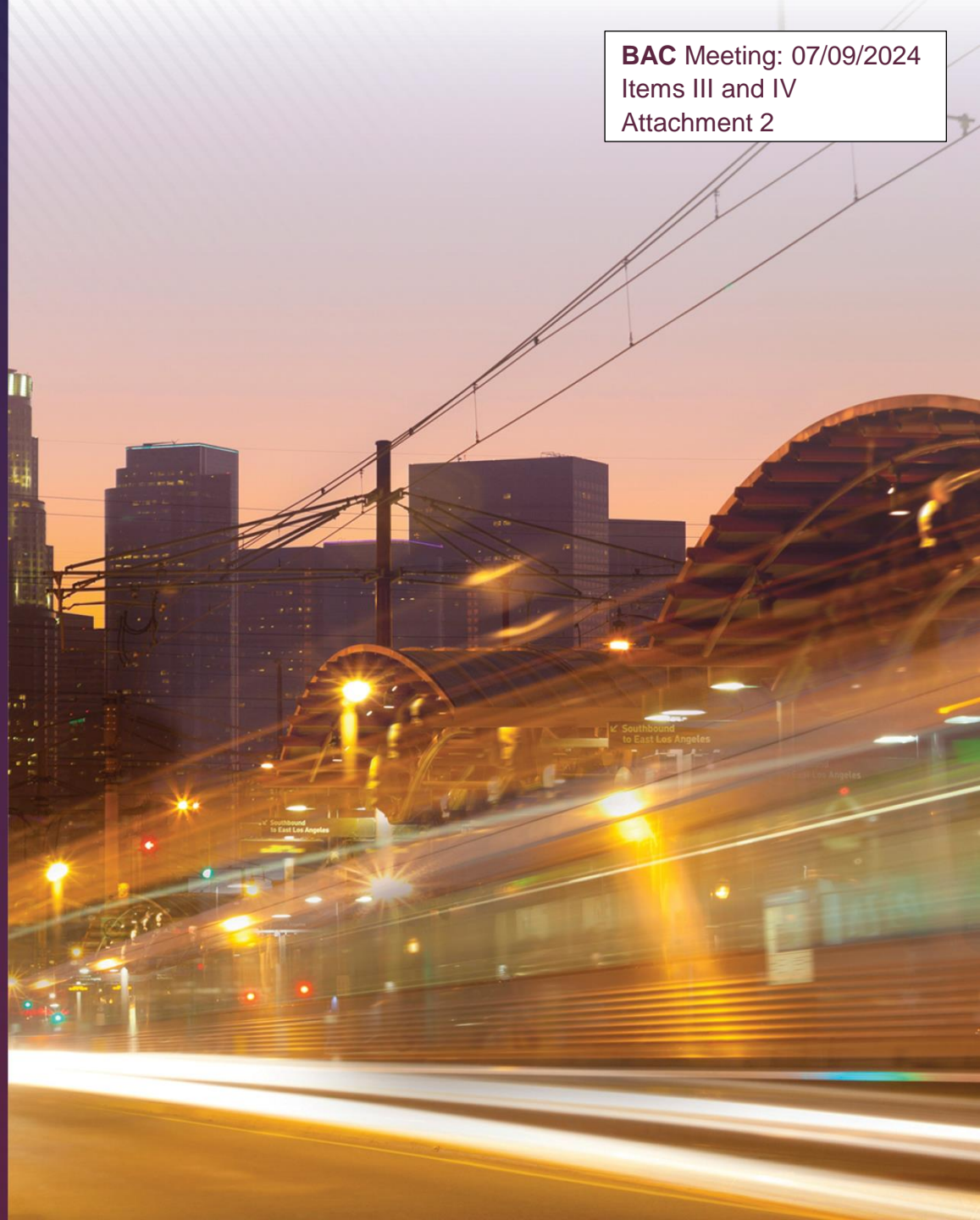


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Introduction

Dental and Vision RFP Response

LACERS conducted an RFP for PPO dental, DHMO dental, and vision coverage for a January 1, 2025, effective date.

The following carriers provided proposals:

- Delta Dental (dental only)
- Ameritas (dental and vision)
- Anthem (dental and vision)
- United Concordia (dental only)
- CIGNA (dental and vision)
- MetLife (dental and vision)

All carriers were asked to duplicate the current plan design

Quotes were to be provided on a fully insured basis and/or self-funded

LACERS	Delta Dental	Ameritas	Anthem	CIGNA	MetLife	United Concordia
Coverage: SF (self-funded), FI (fully-insured), BU (dental and vision quote offered bundled and unbundled)						
Dental PPO	SF	SF / BU	SF	SF	SF	SF
Dental HMO	FI	n/a	FI	FI	FI	FI
Vision	n/a	SF / BU	SF / FI	SF / FI	SF (Superior Vision)	n/a

# Attachment A	Ameritas	Anthem	CIGNA	Delta	MetLife	United Concordia
A Intent to Bid	Yes	Yes	Yes	Yes	Yes	Yes
A Minimum Qualifications	Yes	Yes	Yes	Yes	Yes	Yes
A Sub-contractor Disclosure	Yes	Yes	Yes	Yes	Yes	Yes
A Value Propositions	Yes	Yes	Yes	Yes	Yes	Yes
A Public Agency References	Yes	Yes	Yes	Yes	Yes	Yes
# Attachment B						
B Network Analysis	Yes	Yes	Yes	Yes	Yes	Yes
B Network Analysis Summary	Yes	Yes	Yes	Yes	Yes	Yes
B Questionnaire	Yes	Yes	Yes	Yes	Yes	Yes
B Exception to RFP	Yes	Yes	Yes	Yes	Yes	Yes
B Exceptions to Scope of Services	Yes	Yes	Yes	Yes	Yes	Yes
B Exceptions to Plan Design	Yes	Yes	Yes	Yes	Yes	Yes
B Sample Reports	Yes	Yes	Yes	Yes	Yes	Yes
B Geo Access	Yes	Yes	Yes	Yes	Yes	Yes
B Request for Proposal Warranty/Affadavit	Yes	Yes	Yes	Yes	Yes	No
B Proposer Disclosure Form	Yes	Yes	Yes	Yes	Yes	No
B Bidder CEC Form 50 - Bidders Disclosure	Yes	Yes	Yes	Yes	Yes	No
B Bidder CEC Form 55 - Prohibited Contricutions	Yes	Yes	Yes	Yes	No	No
B Sexual Harassment Policy Disclosure Form	Yes	Yes	Yes	Yes	Yes	No

Network Summary

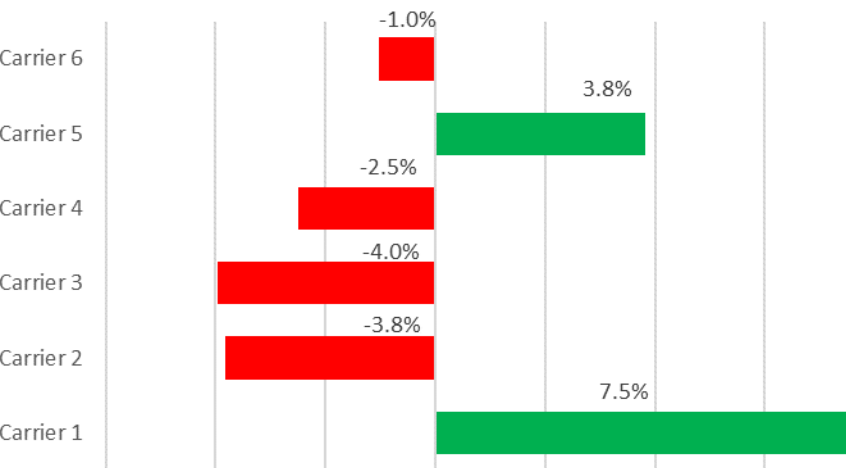
Dental PPO Member Disruption

LACERS	DPPO Analysis	Delta Dental	Ameritas	Anthem	CIGNA	MetLife	United
Procedures	In-Network	115,573	82,614	84,598	90,580	89,566	84,826
	Out-of-Network	12,595	45,554	43,570	37,588	38,602	43,342
	Total	128,168	128,168	128,168	128,168	128,168	128,168
	% In-Network	90.2%	64.5%	66.0%	70.7%	69.9%	66.2%
Submitted Charges	In-Network	\$ 25,894,133	\$ 18,618,096	\$ 18,918,840	\$ 20,724,111	\$ 20,613,093	\$ 19,193,397
	Out-of-Network	\$ 3,320,812	\$ 10,596,849	\$ 10,296,105	\$ 8,490,834	\$ 8,601,852	\$ 10,021,548
	Total	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945	\$ 29,214,945
	% In-Network	88.6%	63.7%	64.8%	70.9%	70.6%	65.7%
Providers	In-Network	6,618	4,697	6,003	5,268	5,162	6,050
	Out-of-Network	607	2,528	1,222	1,957	2,063	1,175
	Total	7,225	7,225	7,225	7,225	7,225	7,225
	% In-Network	91.6%	65.0%	83.1%	72.9%	71.4%	83.7%

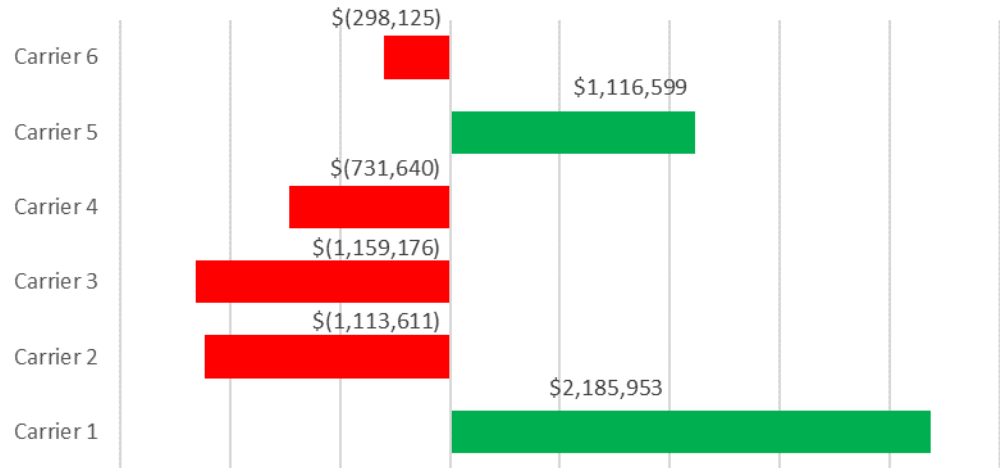
- Keenan had proposers reprice 128,168 PPO procedures done by 7,225 PPO providers, totaling \$29,214,945 in PPO submitted charges (plan year 2023)
 - Delta Dental had the highest coverage for in-network procedures at 90.2%, the remaining carriers were between 64.5% and 70.7%
 - Delta Dental had the highest in-network provider coverage with 91.6%, the remaining carriers were between 65.0% and 83.7%
 - Delta Dental had the highest in-network coverage for submitted charges at 88.6%, the remaining carriers were between 63.7% and 70.9%.

Dental In-Network Discount

Percentage Discount Relativity



Network Savings Relativity



- The In-Network discount is confidential and proprietary to each carrier.
- To give LACERS a discount perspective, Keenan prepared exhibits which show the relativity of each carriers' percentage discount and dollar discount to the overall average for all competitors combined on an unidentified basis.

Dental PPO and DHMO GeoAccess

GeoAccess Dental PPO	Ameritas	Anthem PPO	CIGNA PPO	Delta PPO	Delta Premier	MetLife PDP +	United Concordia PPO
Providers	453,055		111,888	91,280	123,961	113,107	106,574
Locations	69,454		70,164	63,197	84,434	73,216	75,709
2 Providers within 10 miles	97.8%	98.2%	98.5%	97.7%	98.0%	98.0%	98.5%
Retirees with Access	20,430	20,507	20,568	20,458	20,538	20,467	20,572
2 Providers within 5 miles	95.9%	96.4%	96.8%	95.7%	96.3%	96.0%	96.7%
Retirees with Access	20,023	20,131	20,216	20,054	20,174	20,044	20,202
2 Providers within 2 miles	89.6%	90.6%	92.8%	89.5%	90.6%	90.0%	92.7%
Retirees with Access	18,717	18,920	19,387	18,750	18,985	18,801	19,367
GeoAccess Dental HMO		Anthem DHMO	CIGNA DHMO		Delta DHMO	MetLife DHMO	United Concordia DHMO
Providers			9,251		19,870		514
Locations			9,109		11,579		546
2 Providers within 10 miles	Not provided	97.4%	93.2%	n/a	93.9%	Provided for NJ and NV only	93.3%
Retirees with Access		17,316	19,455		19,668		17,057
2 Providers within 5 miles		95.4%	90.0%		90.8%		83.9%
Retirees with Access		16,969	18,798		19,019		15,328
2 Providers within 2 miles		74.2%	76.9%		75.3%		45.1%
Retirees with Access		13,187	16,067		15,767		8,240

GeoAccess reports measure the number of in-network providers within a desired parameter. Keenan requested each carrier run the GeoAccess report based on 2 providers within 10 miles, 2 providers within 5 miles, and 2 providers within 2 miles of member’s zip codes. The study does not take into consideration member’s current providers.

- All carriers show good PPO GeoAccess coverage.
- With the exception of United Concordia, all carriers show good DHMO GeoAccess coverage.

Vision GeoAccess

GeoAccess Vision Optometrists	Ameritas (EyeMed)	Ameritas (VSP)	Anthem	Cigna (EyeMed)	MetLife
Providers	34,620	28,803	35,633	46,047	26,430
Locations	25,342	24,772	n/a	31,822	8,402
2 Providers within 10 miles	95.3%	96.1%	95.4%	97.2%	93.5%
Retirees with Access	10,317	10,402	10,321	20,303	8,642
2 Providers within 5 miles	90.9%	91.9%	91.5%	94.3%	86.0%
Retirees with Access	9,842	9,945	9,903	19,694	7,950
2 Providers within 2 miles	72.9%	73.8%	74.5%	78.5%	54.3%
Retirees with Access	7,890	7,984	8,063	16,390	5,017

GeoAccess reports measure the number of in-network providers within a desired parameter. Keenan requested each carrier run the GeoAccess report based on 2 providers within 10 miles, 2 providers within 5 miles, and 2 providers within 2 miles of member's zip codes. The study does not take into consideration member's current providers.

- Ameritas, Anthem, and Cigna show good Vision GeoAccess coverage
- MetLife has the lowest coverage

Cost Ranking

Cost Summary – Dental PPO, Dental HMO, and Vision

- Several carriers requested their data be kept proprietary and confidential.
- Keenan has provided unidentified Carrier Cost Ranking:
 - LACERS has ranked the cost of administration, projected claim cost, and total cost (administration cost + projected claim cost) for the self-funded coverage.
 - The DHMO is fully-insured and only shows total cost ranking.
- Cost ranking shows the most favored carrier results ranked as 1.

Dental PPO Cost Ranking	PPO ASO Fee	PPO Claim Cost	PPO Total Cost
Carrier 1	6	1	1
Carrier 2	3	5	6
Carrier 3	1	6	5
Carrier 4	2	4	3
Carrier 5	4	2	2
Carrier 6	5	3	4
Dental HMO Cost Ranking			DHMO Total Cost
Carrier 1			4
Carrier 2			5
Carrier 3			1
Carrier 4			3
Carrier 5			2
Vision Cost Ranking	PPO ASO Fee	PPO Claim Cost	PPO Total Cost
Carrier 1	2	4	3
Carrier 2	4	3	4
Carrier 3	3	2	2
Carrier 4	1	1	1

Cost Summary – Rate Guarantees

- The following chart shows each Rate/Fee guarantees of each carrier

Rate Guarantee	Delta Dental	Ameritas	Anthem	Cigna	Metlife	United Concordia
Dental PPO	3 years 1/1/2025 - 12/31/2027 Rate Cap @ 5% 2028/2029	3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027 Rate Cap @ 4% 2028/2029	5 years 1/1/2025 - 12/31/2029	3 years 1/1/2025 - 12/31/2027
Dental DHMO	5 years 1/1/2025 - 12/31/2029 Rate Cap @ 5% 2028/2029		3 years 1/1/2025 - 12/31/2027	3 years 1/1/2025 - 12/31/2027	5 years 1/1/2025 - 12/31/2029 Rate Cap @ 4% 2028/2029	3 years 1/1/2025 - 12/31/2027
Vision		3 years 1/1/2025 - 12/31/2027	4 years 1/1/2025 - 12/31/2028	3 years 1/1/2025 - 12/31/2028	3 years 1/1/2025 - 12/31/2027	

Plan Design Summary

Dental PPO Plan Design

LACERS Dental DPPO	Delta Dental		Ameritas		Anthem		Cigna		Metlife		United Concordia	
General Plan Information	In	Out	In	Out	In	Out	In	Out	In	Out	In	Out
Annual Deductible (Individual)	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25	\$25
Annual Deductible (Family)	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Annual Plan Maximum	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750	\$2,500	\$1,750
Waiting Period	None		None		None		None		None		None	
Out-of-Network Reimbursement	90th% UCR		90th% UCR		90th% UCR		90th% UCR		90th% UCR		90th% UCR	
Class I: Diagnostic & Preventive												
Diagnostic Services	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%
Sealants	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%	No charge	80%
Class II: Basic												
Basic Services	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Endodontic Treatment	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Periodontic Treatment	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%	80%	70%
Class III: Major												
Major Services	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Prosthodontics	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Implants	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Class IV: Orthodontia												
Lifetime Maximum	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500
Orthodontia (Child)	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Orthodontia (Adult)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Dental HMO Plan Design

LACERS Dental DHMO		Delta Dental	Anthem	Cigna	MetLife	United Concordia
Diagnostic & Preventive						
D0150	Comprehensive oral evaluation	\$0	\$0	\$0	\$0	\$0
D1510	Space maintainers	\$10	\$0	n/a	\$0	\$21
Restorative Services						
D2392	Composite filling (two surfaces, posterior)	\$55	\$10	n/a	n/a	\$109
Endodontics						
D3220	Therapeutic pulpotomy	\$0	\$0	n/a	\$0	\$9
D3310	Root canal therapy - Anterior	\$45	\$0	n/a	\$20	\$40
D3320	Root canal therapy - Bicuspid	\$90	\$35		\$20	\$60
D3330	Root canal therapy - Molar	\$205	\$75	\$335	\$20	\$95
Periodontics						
D4210	Gingivectomy (per quadrant)	\$80	\$10	n/a	\$25	\$20
D4260	Osseous surgery	\$175	\$95	n/a	\$25	\$50
D4341	Scaling and root planing (per quadrant)	\$0	\$0	\$83	\$0	\$15
Prosthodontics						
D5110	Complete (upper)	\$100	\$65	n/a	\$50	\$150
D5130	Immediate (upper)	\$120	\$75	n/a	\$50	\$165
Implant Services						
D6010	Surgical placement of implant body	Not covered	Optional Rider (\$850)	n/a	n/a	n/a
D6040	Surgical placement of epostal implant	Not covered	Optional Rider (\$850)	n/a	n/a	n/a
Crown and Bridge						
D6740	Crown - Porcelain/ceramic substrate	\$195	\$85	n/a	n/a	\$130
D6750	Crown - Porcelain fused to high noble metal	\$195	\$75	\$320	\$75	\$110
D6790	Crown - Full cast high noble metal	\$170	\$55	n/a	\$40	\$100
Oral Surgery						
D7220	Extractions (impacted tooth; soft tissue)	\$25	\$0	\$12	\$15	\$20
D7230	Extractions (impacted tooth; partial bony)	\$50	\$10	n/a	\$15	\$25
D7240	Extractions (impacted tooth; full bony)	\$70	\$20	\$115	\$15	\$30
Orthodontics - Comprehensive						
D8070	Children	\$1,700	\$1,695	n/a	\$1,000	\$1,500
D8090	Adults	\$1,900	\$1,895	n/a	\$1,350	\$2,000

Vision Plan Design

Vision Plan Design	Anthem		Ameritas		Ameritas		Cigna		Superior Vision (MetLife)	
	In Network	Non-Network	In Network (EyeMed)	Non-Network	In Network (VSP)	Non-Network	In Network	Non-Network	In Network	Non-Network
Copay										
Examination	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49	\$20 Copay	Up to \$49
Retinal Screening	Up to \$39	Not covered	n/a	n/a	n/a	n/a	Up to \$39	Not covered	Up to \$39	Not covered
Benefit Frequency										
Examination	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Lenses	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Contacts	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
Frames	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months	24 months
Lenses										
Single Vision Lens	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45	Covered in full	Up to \$45
Bifocal Lens	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65	Covered in full	Up to \$65
Trifocal Lens	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85	Covered in full	Up to \$85
Lenticular Lens	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125	Covered in full	Up to \$125
Progressive - Standard	Up to \$30	Up to \$85	Varies by lens	Not covered	Covered at lined bifocal allowance	Covered at lined bifocal allowance	Up to \$65	Up to \$85	Covered at lined trifocal allowance	Up to \$85
Contact Lenses										
Fit-and-Follow-Up - Standard	Covered in full	n/a	Up to \$40	Not covered	Up to \$60	Not covered	Covered in full	Not covered	Covered in full	Not covered
Fit-and-Follow-Up - Premium	10% off retail; Up to \$50 allowance	n/a	10% off retail	Not covered	n/a	Not covered	n/a	n/a	\$50 retail allowance	Not covered
Medically Necessary	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210	Covered in full	Up to \$210
Contacts - Conventional	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105	\$120 Allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105
Contacts - Disposable	\$120 Allowance	Up to \$105	\$120 Allowance; 15% off over allowance	Up to \$105	\$120 Allowance; 20% off over allowance	Up to \$105	\$120 Allowance	Up to \$105	\$120 Allowance; 10% off over allowance	Up to \$105
Frames										
	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 20% off over allowance	Up to \$70	\$150 allowance; 30% off over allowance	Up to \$70

Questionnaire Summary

Questionnaire Evaluation

- The Questionnaire asked each carrier to respond to over 150 questions.
- Keenan provided due diligence review of the carriers through analysis of the 150 question responses.
- It was determined that all proposing carriers met the minimum requirement for carrier consideration.
- The analysis provided insight to areas that needed questioning in the interview process and areas to address in the contract negotiation process.

Performance Guarantees Summary

Dental Performance Guarantees

Performance Guarantees	Ameritas	Anthem	CIGNA	Delta Dental	MetLife	United Concordia
Implementation	\$15,000	\$20,000	\$22,000 PPO \$4,750 DHMO	Incumbent	\$0	\$25,000
Ongoing	\$30,000	\$95,000	\$44,000 PPO \$5,250 DHMO	16% of Administration fee at risk	15% of Admin. PDP \$87,612, 2% premium DHMO \$14,882	25% of Administration fee at risk
Total - Year 1	\$45,000	\$115,000	\$76,000	\$139,360	\$102,494	\$147,964
Total - Year 2+	\$30,000	\$95,000	\$49,250	\$139,360	\$102,494	\$122,964
Additional Incentives						
PPO Recruitment	\$10,000	\$20,000	\$250,000 OON Outreach, \$250,000 OON Additions			
Wellness	\$15,000	\$10,000				
Network Savings / Utilization Guarantee		12%				

All six (6) respondents to the RFP provided Performance Guarantees in the following areas:

- Implementation,
- Carrier Performance, and
- Network Coverage

As part of LACERS *Well* program, LACERS will continue to negotiate the Performance Guarantees with each carriers.

Thank You!



2024 Vision Plan RFP Evaluation Summary

July 9, 2024



Scoring Criteria

Organizational Strength & Plan Sponsor Services	Administration Support & Account Management	Member Quality of Care, Resources, & Services	Access to Care/Network	Value of Cost & Plan Design
<p>10 pts - Proposer demonstrated relevant background, contractual issues, firm experience, and regulatory and compliance with regards to providing health plans and health benefits to Retirees, Survivors, and Dependents.</p>	<p>15 pts - Firm demonstrates strong delivery of health plan and benefits implementation; claims processing; billing and eligibility; plan sponsor services; call center administration; and systems and cybersecurity.</p>	<p>15 pts - Proposer clearly discloses relevant services offered in enrollment; member call center services; customer service and Quality Control Grievances and Appeals; member advocacy and support services; quality measurement standards; online resources; wellness resources; condition management resources; and applicable/relevant miscellaneous services.</p>	<p>30 pts - The evaluation of Access to Care/Network of each firm will be based upon the bidder's: Provider Groups/Network/ Geographic Access; Emergency/Urgent Care Access & Extended Hours. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis.</p>	<p>30 pts - The evaluation of the relative cost and value for each firm based upon its submission of the proposed fee schedule by premium costs and rate commitments; provider reimbursements and discounts; fee guarantee and/or fee caps; performance guarantees; and plan design adequacy. This evaluation will also consider cost on a qualitative basis, not necessarily on a quantitative basis. LACERS expects the cost proposal to include details of all costs associated with the scope of services contained in this RFP</p>

Vision Carrier Ranking

Maximum 100 points

4 Carriers

Ranking based on points:

1. Anthem
2. Cigna
3. Ameritas
4. Metlife

Rank 1 = Highest score

	Strength & Services	Support & Management	Quality	Access	Value	Overall
Ameritas	3	3	2	3	4	4
Anthem	1	1	1	1	1	1
Cigna	2	2	3	2	3	2
MetLife	4	4	4	4	2	3

Proposal Analysis: Ameritas (EyeMed network)

GeoAccess	Cost – Self-Funded	Cost – Fully Insured	Plan Design
<ul style="list-style-type: none"> Utilizing the EyeMed network, Ameritas’ number of providers ranked in the middle among the proposals. They had the second-best number of locations. 	<ul style="list-style-type: none"> 3-year rate guarantee Ameritas provided bundled and unbundled pricing. Generally, their costs were highest. 	<ul style="list-style-type: none"> 3-year rate guarantee They were mid-rank in costs except for their rates for the family plan, which were the lowest cost. 	<p>Plan design differences:</p> <p><i>In- & non-network</i></p> <ul style="list-style-type: none"> Copay for retinal screening Lenses – Progressive <p><i>In-network</i></p> <ul style="list-style-type: none"> Contact Lenses <p>Costco is not in-network but can be by dual choice with their VSP plan.</p> <ul style="list-style-type: none"> \$5,000 annual contribution for Wellness program and survey combined. Contribution is the lowest but is independent of rates. Can provide onsite support at wellness fairs.

Proposal Analysis: Ameritas (VSP network)

GeoAccess	Cost – Self-Funded	Cost – Fully Insured	Plan Design
<ul style="list-style-type: none"> • Their VSP network proposal has 5,817 less providers than their EyeMed proposal. • The percentages of accessing 2 providers within 5 and 10 miles are second to Cigna’s. 	<ul style="list-style-type: none"> • 3-year rate guarantee • Ameritas provided bundled and unbundled pricing. • Generally, their costs were highest. 	<ul style="list-style-type: none"> • 3-year rate guarantee • They were mid-rank in costs except for their rates for the family plan, which were the lowest cost. 	<p>Plan design differences:</p> <p><i>In- & non-network</i></p> <ul style="list-style-type: none"> • Copay for retinal screening • Lenses – Progressive <p><i>In-network</i></p> <ul style="list-style-type: none"> • Contact Lenses <p>Costco is in-network.</p> <ul style="list-style-type: none"> • \$5,000 annual contribution for Wellness program and survey combined. • Contribution is the lowest annual but is independent of rates. • Can provide onsite support at wellness fairs.

Proposal Analysis: Anthem (EyeMed network)

GeoAccess	Cost – Self-Funded	Cost – Fully Insured	Plan Design
<ul style="list-style-type: none"> Anthem’s providers were second-highest at 25,633. However, they did not provide information for locations. The percentage of access to 2 providers within 2 miles is second to Cigna’s. 	<ul style="list-style-type: none"> 4-year rate guarantee Their administrative fee was second-to-lowest. The funding levels was mid-rank among the proposals. 	<ul style="list-style-type: none"> 3-year rate guarantee Anthem generally had the lowest cost. 	<p>Plan design differences:</p> <p><i>In-network</i></p> <ul style="list-style-type: none"> Lenses – Progressive Contact Lenses <p>Costco can be added to the network, but most Costco locations do not have a provider who would be considered in-network for the vision exam.</p> <ul style="list-style-type: none"> \$10,000 coordinated for both medical and vision plans. This amount is not separate or additional to their dental PPO and HMO proposal. Anthem will continue to cosponsor and participate in LACERS Well events.

Proposal Analysis: Cigna (EyeMed network)

GeoAccess	Cost – Self-Funded	Cost – Fully Insured	Plan Design
<ul style="list-style-type: none"> Cigna, utilizing the EyeMed network, has the highest number of providers and locations. The number of subscribers who would have access to 2 providers within 2, 5, and 10 miles were the highest. 	<ul style="list-style-type: none"> 3-year rate guarantee The cost of their administrative fee was mid-rank to others. Cigna’s funding levels were second-to-lowest. 	<ul style="list-style-type: none"> 3-year rate guarantee Cigna had the highest costs. 	<p>Plan design differences: <i>In-network</i></p> <ul style="list-style-type: none"> Lenses – Progressive Contact Lenses <p>Costco is in-network.</p> <ul style="list-style-type: none"> \$20,000 proposed annual contribution that is not separate from their dental PPO and HMO proposal. Cigna is willing to cosponsor events with no conditions. It is part of the rate load. Cigna did not state Wellness campaigns.

Proposal Analysis: MetLife (Superior Vision network)

GeoAccess	Cost – Self-Funded	Cost – Fully Insured	Plan Design
<ul style="list-style-type: none"> Generally, MetLife’s proposal had the lowest coverage of providers, locations, and subscriber’s access to 2 providers within 2, 5, and 10 miles. 	<ul style="list-style-type: none"> 3-year rate guarantee Their rate structure and funding levels were the lowest costs. 	<ul style="list-style-type: none"> N/A 	<p>Plan design differences: <i>In- & non-network</i></p> <ul style="list-style-type: none"> Lenses – Progressive Contact Lenses Frames <p>Costco is in-network.</p> <ul style="list-style-type: none"> One-time \$5,000 contribution. Is part of rate load. Not separate from the stated contribution for their Dental PPO and HMO proposal. Co-sponsoring is subject to their review and negotiation. MetLife would provide a platform to integrate and build LACERS Well.