

**Lee County Board Of County Commissioners  
Agenda Item Summary**

Blue Sheet No. 20061555

**ACTION REQUESTED/PURPOSE:** Approve changes to the health/dental plan for calendar year 2007.

1. **Health Plan:** Raise the individual stop loss coverage from \$300,000 per individual in calendar year to \$350,000 per individual.
2. **Dental/Medical Plan Integration:** This would be an enhanced dental benefit for pregnant women, and persons with diabetes or coronary artery disease. Members in these categories, who have both health and dental insurance, would receive education explaining the correlation between their condition and periodontal disease. They would also receive additional preventive dental benefits. Aetna would be responsible for the integration of the benefit between the medical and dental plan.

**2. WHAT ACTION ACCOMPLISHES:** (1) By assuming more risk, Lee County saves about 8% over current premiums, and \$185,000 over renewal premiums for stop loss. This action was recommended by our health care consultant. (2) Affords members with certain risk factors opportunities for preventing complications from their conditions.

**3. MANAGEMENT RECOMMENDATION:** Approval

**4. Departmental Category:** 6 **C6E** **5. Meeting Date:** DEC 05 2006

<b>6. Agenda:</b> <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Administrative <input type="checkbox"/> Appeals <input type="checkbox"/> Public <input type="checkbox"/> Walk-On	<b>7. Requirement/Purpose: (specify)</b> <input type="checkbox"/> Statute <input type="checkbox"/> Ordinance <input type="checkbox"/> Admin. Code <input checked="" type="checkbox"/> Other <input type="checkbox"/> Summary Plan Document	<b>8. Request Initiated:</b> Commissioner _____ Department <u>Human Resources</u> Division _____ By: <u>Dinah Lewis</u>
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**9. Background:** (1) The health plan has saved money by assuming more risk over the past two years for large claims. By raising the individual stop loss to \$350,000 there is potential for additional savings. Keeping the level of risk at \$300,000 would result in a 19% increase in stop loss premium. At the \$350,000 level, there would be a 8% decrease in premium from 2006.

(2) A number of studies suggest that early prevention and treatment of gum disease may result in significantly improved outcome for pregnancy, diabetes, and heart disease, often leading to substantial medical cost savings.

**10. Review for Scheduling:**

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgt	
<i>[Signature]</i> 11-7-06		<i>[Signature]</i> 11-7-06		<i>[Signature]</i>	RK 11/20	<i>[Signature]</i>	<i>[Signature]</i> 11/20/06	<i>[Signature]</i> 11/20	<i>[Signature]</i> 11-21-06

**11. Commission Action:**

- Approved**
- Deferred**
- Denied**
- Other**

RECEIVED BY COUNTY ADMIN: 11-20-06 11:45
" 12:15 A.C.
COUNTY ADMIN FORWARDED TO:

Rec. by CoAtty
Date: 11/7/06
Time: 2:44pm
Forwarded 11/20/06 Adm. 11:30

**From:** Mullins, Trayce L <MullinsTL@aetna.com>  
**To:** CHARLOTTE VEAUX  
**Date:** Wed Sep 20, 2006 11:49:08 AM PDT  
**Subject:** FW: RE: Wall Street Journal - Dental Interview

Charlotte, Here is the article -

This article ran in today's *Wall Street Journal*. References to Aetna are in **blue and bold**.

**Health Plans Expand Dental Benefits — Studies Linking Gum Disease to Health Problems Spur New Focus on Preventive Treatments**

By M.P. McQueen  
1350 words  
09/19/2006  
The Wall Street Journal  
D1  
(Copyright (c) 2006, Dow Jones & Company, Inc.)

AMID MOUNTING evidence linking poor oral hygiene to a range of expensive medical problems, health plans are starting to cover more dental treatments and preventive services.

The idea, insurers say, is that paying for certain services now, such as additional cleanings, gum treatments and prescription mouth washes, can reduce the incidence of other health problems down the road. A number of studies suggest that early prevention and treatment of gum disease may result in significantly improved outcomes for pregnancy, heart disease and diabetes, often leading to substantial medical-cost savings.

Many of the insurers' enhanced benefits are focused on people with these health risks. Cigna Corp.'s Oral Health Integration Program, implemented earlier this year, covers additional deep cleanings known as scaling and root planing during pregnancy at no extra cost, or an additional regular cleaning (over the usual two a year) for pregnant women who don't require scaling and root planing. A similar benefit is available for patients in Cigna's diabetes and cardiac-care disease-management programs.

In March, Washington Dental Service, a member of the Delta Dental Plans Association, introduced enhanced benefits, including coverage of antimicrobial mouthwashes for pregnant women, to its members in 2,000 companies in the state. **Aetna Inc., with 8.8 million members who have both dental and medical coverage, has conducted pilot programs designed to get pregnant women and people with chronic disease to visit a dentist. The company expects to offer a third regular cleaning each year, or additional deep cleanings as needed, to all such at-risk patients next year.**

"We can save medical costs by getting people to have dental care at the right time in their lives," says Glenn Melenyk, dental consultant at Blue Cross Blue Shield of Michigan in Detroit. The insurer, with 1.1 million dental members, started pilot programs in 2005 that cover an additional regular cleaning per year for diabetics and heart patients. In July, it expanded the pilots to include pregnant women who obtain a coupon from their obstetrician.

The enhanced benefits come at a time when many employers are under pressure to cut medical costs. But some big employers are signing on. Ford Motor Co. and Kellogg Co. are among those offering benefits in Michigan via Blue Cross Blue Shield, and Pacific Research Laboratories and KCTS Public Television are participating in Washington Dental's enhanced benefits. Some health plans, including Michigan Blue Cross, Washington Dental and MetLife Inc., are offering the extra coverage at no additional cost to employers or employees. Washington Dental says it achieved this by cutting back coverage of other services for which there is less evidence of benefits, such as routine X-rays. (Currently, insurers say, dental care makes up only about 4% of employers' overall health-care budget.)

**Costco Wholesale Corp. of Issaquah, Wash., earlier this year participated in a pilot with Aetna Medical & Dental, in which nurses called employees with diabetes or heart disease or who were pregnant, to encourage them to visit a dentist. Donna Sexton, Costco's director of employee benefits, says nurses reached about 2,200 of Costco's more than 153,000 Aetna members. About 36% of them have indicated they would go see a dentist as a result. That is "pretty good compared to other types of outreach," Ms. Sexton says. "The bottom line is, if it helps the health of the baby, or the health of an employee or dependent improves, there will be an overall reduction in costs."**

Insurers who offer both dental and medical-care coverage say they expect that spending more on preventive dental care will yield big savings on the medical treatment of costly chronic illnesses. Insurers that offer only dental coverage expect to save money on periodontal surgery. Stand-alone plans also say they want to be more attractive to workers, who increasingly have to pay all or part of their dental-insurance costs themselves as more employers make group dental a voluntary rather than an employer-paid benefit.

The emphasis on preventive care is the result of an increasing number of studies linking oral health to general health and well being, dental specialists and insurers say.

The reasons for the connection aren't fully understood. In the case of preterm births, bacteria around the tooth root may cause the body to produce a substance that induces labor. The evidence suggests that the same bacteria in the mouth can provoke the body into producing factors that clog arteries, worsening heart disease and stroke risk. With diabetes, any inflammation in the body makes controlling blood sugar more difficult, according to Kenneth Krebs, president of the American Academy of Periodontology.

**A two-year study of 144,000 insured patients by Aetna and the Columbia University College of Dental Medicine released in March found that earlier periodontal treatment reduced overall medical-care costs by 9% for diabetes, 16% for coronary artery disease, and 11% for cerebrovascular disease, or stroke.**

Another recent study of pregnant women with a serious gum disease published in the Journal of Periodontology found that early treatment with scaling and root planing (which removes plaque and tartar from around the tooth root) reduced preterm births by 84%. Additional research is under way to try to explain the association between these illnesses and periodontal disease.

Gum disease is a common health problem in the U.S. More than three-quarters of the adult population over the age of 35 eventually suffer from some type of it, ranging in severity from inflammation and sensitivity, to advanced periodontitis, a serious gum infection that can lead to tooth loss. Some insurers are also now covering topical or injected antibiotics for gum disease.

In addition to preventive treatments, some insurers have also begun offering more coverage of

costlier advanced treatments for missing or damaged teeth. Some employers are looking to offer dental implants and newer filling materials, say the insurers, because workers are demanding the latest technologies. Principal Financial Group Inc. will introduce new supplemental benefits by mid-2007, including coverage for dental implants, for employers who pay for it, according to company officials.

A number of insurers, such as Guardian Life Insurance Co. and Cigna, have created new ways for consumers to increase their coverage limit for extraordinary expenditures such as root canals and dentures – for instance by allowing consumers to "roll over" unused dental allowance from previous years. More plans also cover composite or "white" fillings at the same level as metal fillings, says Sally Cram, a periodontist in Washington, D.C., and spokeswoman for the American Dental Association.

Some insurers, including Guardian, Cigna and Principal Financial Group, are offering to cover dental implants as an alternative to traditional partial dentures or bridges. Titanium dental implants, which are tooth-root replacements surgically placed in the jaw, have been regarded as experimental though they have been used for more than 20 years, and rarely were covered by most health plans. Many plans have based payments on the least-expensive treatment that can be used. A single tooth implant costs \$4,000 to \$5,000 with surgical placement and restoration; traditional bridgework to replace a missing tooth costs about \$3,000, according to Richard Goren, national and group dental director of Guardian.

But implants are in increasing demand because they work better for people who have lost bone mass, or who have only one or two missing teeth, and they last longer than bridgework, dentists say. "More than half our new customers [employers] have requested it since June 2005," says Dr. Goren. Most insurers that include implants cover them at 50% of cost, says the American Academy of Implant Dentistry.

#### Targeting Teeth

A number of health plans are expanding dental benefits for pregnant women and people with chronic diseases. Among the new offerings:

- An additional, third cleaning per year.
- Scaling and root planing to remove plaque around the tooth root
- Prescription mouth washes
- Periodontal maintenance
- Tooth sealants and varnishes, for adults at risk for gum disease

# Stop Loss Renewal

Lee County BOCC  
PH No 881673  
Group # SI281103

- Please refer to the attached caveat document that outlines specific information for this quotation.

## ***STOP LOSS QUOTE SPECIFICATIONS***

	<u>Renewal</u>	<u>Renewal</u>
<b>Renewal Date:</b>	<b>1/1/2007</b>	<b>1/1/2007</b>
Policy Period Length (Months):	12	12
Number of Employees Covered Under Stop Loss:	4,047	4,047
Number of Single Covered Under Stop Loss:	1824	1824
Number of Family Covered Under Stop Loss:	2223	2223
Traditional Choice w/ Healthline:	12	12
Open Choice:	131	131
Aetna Choice:	1175	1175
HMO:	2729	2729
Brokerage Commission %:	0.00%	0.00%
Terminal Liability Option:	No Extension (N/A)	No Extension (N/A)
Claims Paid Basis for Medical Coverages:	Cleared	Cleared

## **INDIVIDUAL STOP LOSS COVERAGE SPECIFICATIONS**

Contract Type:	Paid	Paid
Coinsurance %:	100%	100%
Individual Stop Loss Level:	\$300,000	\$350,000
M/N Claims Apply to ISL (Aetna Administered Only)	Yes	Yes
Ancillary Benefits that Apply to Individual Stop Loss	Prescription Drug	Prescription Drug
Individual Specific Stop Loss Limits (Laserling):	N/A	N/A
Individual Lifetime Stop Loss Payment Amount:	Unlimited	Unlimited
Medical Reimbursement Method	Immediate	Immediate
RX Reimbursement Method	Year-end	Year-end

## ***FINANCIAL INFORMATION***

<b>Total Stop Loss Premium:</b>	<b>\$821,703</b>	<b>\$636,674</b>
<b>Premium (PEPM) Composite Rate:</b>	<b>\$16.92</b>	<b>\$13.11</b>