



Date of Memo: October 12, 2022  
Current Meeting: October 20, 2022  
Board Meeting: October 27, 2022

**BOARD MEMORANDUM**

**TO:** Indianapolis Public Transportation Corporation (IPTC) Board of Directors  
**THROUGH:** President/CEO Inez P. Evans  
**FROM:** Director of Budget Justin Burcope  
Chief Policy and Labor Relations Officer Jeff Brown  
**SUBJECT:** Consideration and approval to negotiate a contract with Delta Dental for group dental plan premiums and coverage

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**ACTION ITEM A – 13**

**RECOMMENDATION:**

In a manner consistent with IPTC procurement and contract award standards, we request that the Board authorize the President/CEO to negotiate and enter into a one-year contract with Delta Dental for Group Dental Insurance premiums and coverage for current member enrollment at a cost of \$349,464, subject to increase based on future enrollment.

**BACKGROUND:**

IPTC takes a progressive approach to create a healthier workforce and as such provides a comprehensive benefits package to our workforce. As part of this benefits package, IPTC provides its workforce with dental insurance coverage to help employees offset the cost of dental care and to help the employee maintain good overall oral health.

**DISCUSSION:**

IPTC engaged LHD Benefit Advisors to serve as its broker and procure services for group dental insurance. The following criteria was used to evaluate and select Delta Dental: total cost of services requested, contractual benefits & administration flexibility, provider network strength in term of access and pricing, and guarantees. Based on these guidelines, Delta Dental is the suggested successful bidder for the following reasons:

- Delta Dental provides the broadest provider network and more availability and access to care. The other vendors do not provide nearly as broad a network and that could cause employees and their families to go out-of-network at higher costs.
- Delta Dental provides significant discounts than other carriers (which lessens the burden of out-of-pocket costs for members and dependents). The ultimate savings is significant and is not matched by competitors.
- There will be no disruption in service.
- The Delta Dental renewal offer of 3% is reasonable given IPTC’s dental claims experience that has been less favorable at over 90% loss ratio for 2022.

The following is the total premium cost to employee under the new plan:

- Employee Only \$23.56 per month
- Employee + Spouse \$45.17 per month
- Employee + Child(ren) \$63.29 per month
- Employee + Family \$93.60 per month

In summary, IPTC believes that Delta Dental is the best overall value for the quality and level of services for IPTC employees and families.

**ALTERNATIVES:**

The Board could choose not to award this contract to the recommended vendor and direct the CEO to negotiate with another vendor.

**FISCAL IMPACT:**

The total cost of this procurement for dental group insurance premiums and coverage is projected to be \$349,464, subject to increase or decrease based on future enrollments. Human Resources will work with Finance to manage the funding of this procurement with the existing budget for each year of the contract.

**DBE/XBE DECLARATION:**

This contract will be funded by the Operations budget, and therefore, it does not require an established Disadvantaged Business Enterprise Program (“DBE”) participation goal. Given the complexity and nature of this opportunity subcontracting possibilities were limited. It is our continued commitment to partner with certified “XBE” firms with the City of Indianapolis Office of Minority and Women Business Development and the Indiana Department of Administration Division of Supplier Diversity when opportunities present themselves.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

This action will be reviewed by the Finance Committee on October 20, 2022.