

**SERIAL 06020 S**

**PRE-PAID DENTAL SERVICES**

**DATE OF LAST REVISION: August 25, 2008**

**CONTRACT END DATE: June 30, 2010**

**CONTRACT PERIOD THROUGH JUNE 30, 2010**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **PRE-PAID DENTAL SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **December 06, 2006 Eff. 07/01/07.**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Director  
Materials Management

SD/bg  
Attach

Copy to: Materials Management  
Pat Vancil, Employee Health Initiatives

(Please remove Serial 01086-SC from your contract notebooks)

**INVITATION FOR BID FOR: PRE-PAID DENTAL SERVICES****1.0 INTENT:**

It is the intent of Maricopa County to solicit bids for a fully insured prepaid dental plan commencing July 1, 2007 to cover employees (CURRENTLY THERE ARE 2994 ENROLLED) throughout Maricopa County. This plan will be along side two PPO dental plans (plan summary Exhibit 2) one fully insured and one self-insured, also available to all Maricopa County employees, and we will consider the best plan your organization can offer relative to the specs included in this Bid.

**1.1 BACKGROUND:**

Maricopa County (the County) services employees in urban, suburban and rural areas within the County and in adjacent counties. The County's active employees reside in the Phoenix metropolitan area as well as Gila Bend, Wickenburg, etc. The County has approximately 12,500 benefit eligible employees.

Maricopa County Government is a political sub-division of the State of Arizona and is under the control of a five-member Board of Supervisors, elected every four years. In addition, seven departments are controlled by elected officials: Assessor, Treasurer, Recorder, Sheriff, County Attorney, Superintendent of Schools, and Clerk of Superior Court. A presiding judge leads the Superior Court System.

The County Manager reports to the Board of Supervisors and is responsible for the operation of those departments under the control of the Board (those not identified in the previous paragraph), and for implementation of Board policy. Four other officers support the County Manager: the Deputy County Manager, Chief Financial Officer, and Assistant County Manager of Community Services and the Assistant County Manager of Regional Development Services.

**2.0 TECHNICAL REQUIREMENTS:**

**The plan of benefits shall match, as closely as possible, the current plan, except the County prefers to have coverage included for specialty services in lieu of the current discount arrangement. If you feel it would be advantageous for the County to consider other additional plan designs, the current plan design and fee schedule must be met as closely as possible as a minimum and only richer benefit plans and fee schedules will be considered. Please provide specific descriptions of all proposed differences.**

**2.1 Scope Of Services To Be Provided Under This Bid**

In addition to the minimum requirements noted in Exhibit 2, your response and ultimately contracted services, must comply with the following scope of work:

- 2.1.1 Contract effective date will be 7/1/2007. Rates must be pre-determined for at least the first 3 contract years. (The rates need not necessarily be the same for all 3 years).
- 2.1.2 The policy's or contract's rate change date and anniversary will fall on July 1st. All contract or benefit changes will only occur on this date unless previously agreed to in writing by all parties.
- 2.1.3 Written, 9-month rate change notification including any major plan change including but not limited to, benefit plan design (co-pay schedule) and provider network must be given prior to the anniversary dates for years 4, 5, 6 and will include supporting documentation. The first notification is due October 1, 2009 for year 4 of the contract (2010). Preliminary, non-binding renewal projections to assist the County in the budgetary process must be provided as requested.
- 2.1.4 Contractor must notify the County at least 9 months prior to voluntary, unilateral plan termination or plan replacement or reduction of benefits effective on the next contract anniversary date.

- 2.1.5 Contractor shall have the ability to administer current plan. Plan costs are shared with employees on a 47% employee/53% employer basis across the board. The County will self-administer premiums. Premiums will be paid monthly based on 12 cycles per plan year, or 24 payroll cycles. Premiums are collected from the first two paychecks received in the month. Since the County pays wages on a bi-weekly basis, there are two paychecks from which premiums are not typically collected (this occurs when there are three paydays in the month). Increases or decreases in premium are effective the same pay period in which the change is effective.
- 2.1.6 The County's COBRA Administrator will handle eligibility notification, termination and premium payment for COBRA participants.
- 2.1.7 The County maintains the rights to accept, reject, or cancel the contract of a contractor at any time if there is a significant change, in the County's opinion, in the contractor's operation of the plan, including, but not limited to, the provider network, satisfaction with customer service, quality of the plan's services and satisfaction by the County's employees
- 2.1.8 Contractor shall be responsible for drafting, producing and distributing, subject to County review and approval, all communication materials, certificates of coverage, plan summaries and administrative forms. Such documents shall be produced in sufficient quantities to meet the needs of existing and future employees. All documents must be available electronically for posting on the County's intranet and internet Web sites.
- 2.1.9 Contractor will print, at their cost, and provide in bulk (drop shipment) plan certificates and summary of benefits for the number of employees (active and prospective) and locations provided by the Employee Health Initiatives department.
- 2.1.10 Contractor must provide quarterly County-specific customer service trend reports of call center and other customer contacts, problem resolution and appeal activity and outcomes.
- 2.1.11 Contractor must provide summarized results of County-specific satisfaction survey at least annually no less than 7 months prior to the renewal anniversary.
- 2.1.12 Contractor will meet periodically, at least quarterly and sometimes more frequently with the Employee Health Initiatives department to conduct operational and strategic meetings regarding benefit plan operations, problem resolution, customer service issues, and plan direction.
- 2.1.13 Contractor will provide personnel to attend open enrollment fairs (approximately 15 per year), new employee orientations (bi-weekly) and other periodic employee information and health fairs focused on wellness and prevention (up to four per year)
- 2.1.14 Contractor will provide educational information to be used in newsletters to promote wellness and preventive care.
- 2.1.15 Contractor must be able to accept weekly eligibility files for active employees via custom electronic interfaces created with data from PeopleSoft (version 8.8 or higher). The contractor must be able to accept and process the file within two business days of receipt. Contractor must also be able to generate an electronic exception report for the County within five working days after process the data from each file.
- 2.1.16 The County will make the final determination on errors and has ultimate authority to correct any and all administrative errors.
- 2.1.17 Contract/rates will not include any commission load.
- 2.1.18 The contractor must have the capability to accept electronic fund transfers.

- 2.1.19 The contractor must provide a detailed implementation plan and meet with Employee Health Initiatives personnel to establish administrative and claims payment procedures.
- 2.1.20 At no additional charge to the County, the contractor will be required to provide representatives to attend group transition sessions for employees. The representative would be scheduled in Maricopa County at varied times and sites. The representative would, at the request of the County, answer questions and/or make a brief presentation.
- 2.1.21 Contractor shall provide initial ID cards for newly eligible employees and their covered dependents within ten business days of receipt of the eligibility file or request from participant.
- 2.1.22 Takeover shall be on a “no-loss, no-gain” basis. Contractor must have a process to handle dental treatment already in process but not completed by the beginning of this contract.
- 2.1.23 Contractor must provide run out services for a minimum of six months following the termination of the contract.

2.2 Minimum Contractor Requirements

- 2.2.1 Contractor’s provider network must include a minimum (open to new patients) of **120** general dentists in Maricopa County and at least **60** specialists with current active contracts operating in Maricopa County and have the capacity to provide services to Maricopa County employees. The network must be able to provide service in the event of emergency, after hours or on weekends and holidays. The contractor must have a credentialing process in place to ensure the quality of their providers.
- 2.2.2 Contractor must provide and list current general and specialist provider and whether their practices are currently open or closed to new member/patients. Listing must show a provider’s full time equivalence and not include or list the same provider at more than one office location. List must also include provider’s office address and phone number.
- 2.2.3 Each Contractor must provide a geo-access report indicating the locations of all dentist offices in network including family dentistry and specialists (include in bid response).
- 2.2.4 The proposing dental plan, or its corporate parent, must have revenues in excess of \$5,000,000 and total assets in excess of \$50,000,000 during the most recent fiscal year report.
- 2.2.5 Contractor must have a least 3 accounts with populations of more than 2,500 employees within the Southwest Region.
- 2.2.6 Contractor shall have been the Pre-Paid Dental business at least 3 years.
- 2.2.7 Contractor must be able to accept the subscriber identification number as the employee identification number, a 9-digit County-assigned number, unique to Maricopa County employees.
- 2.2.8 Contractor must conduct business in compliance with HIPAA (Health Information Portability and Accountability Act) and applicable State statutes.
- 2.2.9 Contractor must provide toll-free access to customer service representatives between 8:00 a.m. and 5:00 p.m., Monday through Friday and have the capability to handled calls from non-English speaking employees.
- 2.2.10 Contractor must provide performance guarantees that put a portion of their fees at risk for specific services.
- 2.2.11 Contractor must maintain a Web site where employees may look up current providers, and print temporary ID cards.

2.3 TAX:

No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.

2.4 DELIVERY:

It shall be the Contractor's responsibility to meet the proposed delivery requirements. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

3.0 **SPECIAL TERMS & CONDITIONS:**

3.1 CONTRACT TERM:

This Invitation for Bid is for awarding a firm, fixed price purchasing contract to cover a three (3) year period.

3.2 OPTION TO EXTEND:

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of three (3), one (1) year options. The Contractor shall be notified in writing by the Materials Management Department of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period.

3.3 PRICE ADJUSTMENTS:

Any requests for reasonable price adjustments must be submitted 9 months (270) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the Consumer Price Index or by performing a market survey.

3.4 INDEMNIFICATION AND INSURANCE:

3.4.1 INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions or mistakes relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting there from, caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract including any person for whose acts, errors, omissions or mistakes Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

### 3.5 INSURANCE REQUIREMENTS

Contractor, at Contactor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contactor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

Contractor is required to procure and maintain the following coverages indicated by a checkmark:

#### 3.5.1 Commercial General Liability:

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

3.5.2 Automobile Liability:

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

3.5.3 Workers' Compensation:

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$100,000 for each accident, \$100,000 disease for each employee, and \$500,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

3.5.4 Certificates of Insurance.

3.5.4.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **Contractor's** work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to **County** fifteen (15) days prior to the expiration date.

3.5.4.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

3.6 NO GUARANTEED QUANTITIES.

The Respondent understands and hereby acknowledges that the County makes no representations nor guarantees the Respondent any minimum or maximum number of units of service to be provided under this Contract

3.7 INQUIRIES AND NOTICES:

All inquiries concerning information herein shall be addressed to:

MARICOPA COUNTY  
DEPARTMENT OF MATERIALS MANAGEMENT  
ATTN: CONTRACT ADMINISTRATION  
320 W. LINCOLN ST.  
PHOENIX, AZ 85003

Administrative telephone inquiries shall be addressed to:

STEVE DAHLE, STRATEGIC CONTRACT MANAGER, 602-506-3450  
([sdahle@mail.maricopa.gov](mailto:sdahle@mail.maricopa.gov))

Technical telephone inquiries shall be addressed to:

Pat Vancil, Employee Benefits Manager, 602-372-2837  
([pvancil@mail.maricopa.gov](mailto:pvancil@mail.maricopa.gov))

Inquiries may be submitted by telephone but must be followed up in writing. No oral communication is binding on Maricopa County.

3.8 EVALUATION CRITERIA.

3.8.1 The evaluation of Bids will be based on, but will not be limited to, the following:

3.8.1.1 Compliance with specifications.

3.8.1.2 Price.

3.8.1.3 Determination of Responsibility.

3.8.2 The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

3.9 SUBMISSION PRICE CLARITY.

For reasons of clarity all submissions of pricing (Attachment A) shall be priced in the same unit (size, volume, quantity, weight, etc.) as the bid specifications request. Submissions (bids) failing to comply with this requirement may be declared non-responsive.

3.10 INSTRUCTIONS FOR PREPARING AND SUBMITTING BIDS.

**Respondents shall provide one (1) original hardcopy (labeled), Two (2) hardcopy copies and two (2) electronic copies, including pricing, on CD.** Respondents are to identify their responses with the bid serial number, title and return address to Maricopa County, Department of Materials Management, 320 West Lincoln, Phoenix, Arizona 85003. **The owner, corporate official or partner who has been authorized to make such commitments must sign bids.**

3.11 RESPONDENT REVIEW OF DOCUMENTS.

The Respondent must review its Bid submission to assure the following requirements are met.

3.11.1 **Mandatory:** One (1) original hardcopy (labeled), and two (2) electronic copy of pricing on a CD;

3.11.2 **Mandatory:** Attachment "A", Pricing;

3.11.3 **Mandatory:** Attachment “B”, Agreement; and

3.11.4 **Mandatory:** Attachment “C”, References.

3.11.5 **Mandatory:** GEO-Access Report (See section 2.2.3)

3.12 POST AWARD MEETING:

The successful Respondent(s) shall be required to attend a post-award meeting with the Using Agency to discuss the terms and conditions of the Contract. This meeting will be coordinated by the Procurement Officer of the Contract.

**EMPLOYERS DENTAL SERVICES, 4720 N. ORACLE ROAD SUITE 100, TUCSON, AZ 85705**

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL:  YES  NO

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT:  YES  NO

PRICING SHEET: NIGP 9482803

**1.0 PRICING: OPTION 2 – EDS300R (Exhibit 2)**

1.1 Pricing:

Per Employee / Per Month Costs

<b>Fiscal Year (June 30<sup>th</sup>) Calendar/Plan Year</b>	<b>Employee Only</b>	<b>Employee + Spouse</b>	<b>Employee + Children</b>	<b>Employee + Family</b>
<b>2007*</b>	\$ 9.67	\$ 18.37	\$ 24.12	\$ 27.78
<b>2008*</b>	\$ 9.67	\$ 18.37	\$ 24.12	\$ 27.78
<b>2009*</b>	\$ 10.00	\$ 19.00	\$ 24.96	\$ 28.75
<b>Rate Caps</b>				
<b>2010**</b>	4 %	4 %	4 %	4 %
<b>2011**</b>	4 %	4 %	4 %	4 %
<b>2012**</b>	5 %	5 %	5 %	5 %

\*Schedule of Benefits/Plan Design for years 2007, 2008 and 2009 is the EDS300R

\*\*Percent Increase from prior year. Schedule of Benefits/Plan Design to be determined for years 2010, 2011, 2012.

Terms: NET 30

Vendor Number: W000005105 X

Telephone Number: 520/696-4300

Fax Number: 520/696-4311

Contact Person: Susana P. Valenzuela

E-mail Address: [svalenzuela@mydentalplan.net](mailto:svalenzuela@mydentalplan.net)

Company Web Site: [www.mydentalplan.net](http://www.mydentalplan.net)

Certificates of Insurance Required

Contract Period: To cover the period ending **June 30, 2010.**