



STATE OF WISCONSIN
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 SECRETARY

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Correspondence Memorandum

Date: October 12, 2018
To: Group Insurance Board
From: Tricia Sieg, Supplemental Plans Manager
 Office of Strategic Health Policy
Subject: Delta Dental Contract Extension

The Department of Employee Trust Funds (ETF) requests the Group Insurance Board (Board) approve the extension of the third-party administration of dental benefits contract with Delta Dental of Wisconsin (Delta) for two years, through December 31, 2021.


Background

On July 15, 2015, the Board entered into a contract with Delta for administration of the statewide Uniform Dental Benefit (UDB) plan for the State of Wisconsin and the Wisconsin Public Employers (WPE) Group Health Insurance Program. The contract included provisions that allow for two two-year extensions. On November 30, 2016, the Board approved a two-year extension to the initial contract set to expire December 31, 2019.

The Board has requested contract extension requests be brought to the Board for decisions with adequate time allowed for a thorough negotiation process. An extension decision at this time would allow ETF sufficient time to negotiate any necessary contract changes or to rebid the contract, if warranted.

Delta has proven to be committed to keeping the over 90,500 UDB enrollees informed and satisfied. Delta has established itself with staff as a dependable, proactive and committed vendor. Delta has shown itself to be a strong partner in the sharing of analytics with ETF.

Delta has worked with ETF to ensure the UDB plan includes an evidence-based integrated care plan (EBICP). The EBICP provides additional cleanings and/or fluoride treatments to members with conditions such as cancer, suppressed immune systems, high-risk cardiac, kidney failure/dialysis, diabetes, pregnancy and others.

Reviewed and approved by Eileen K Mallow, Director, Office of Strategic Health Policy
 Electronically Signed 10/25/18

Board	Mtg Date	Item #
GIB	11.14.18	7C

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The tables in Attachment A show the number of claims processed for members during 2017, the number of members enrolled in the Uniform Dental Benefit as of July 1, 2018 and Delta's September 2018 customer service statistics for State of Wisconsin members.

The information in Attachment B are from Delta's third-quarter performance report to ETF. This report shows Delta has repeatedly exceeded all of ETF's performance standards for service and accuracy. Specifically related to the member, Delta achieved a 92% satisfaction rate, with 0 member complaints filed.

Staff will be available at the Board meeting to answer questions.

Attachment A: 2017 Uniform Dental Benefit Claims

Attachment B: Delta Dental's Third Quarter Report

2017 Claims by Coverage Category for State Uniform Dental

Coverage Category	Procedures Billed	Amount Paid
Diagnostic	423,948	\$20,081,922
Preventive	295,434	\$18,293,078
Routine Fillings	100,404	\$11,241,297
Oral Surgery	18,833	\$0
Endodontics	4,955	\$0
Periodontics	25,955	\$1,859,233
Crown/Onlays	20,763	\$0
Bridges/Dentures	7,036	\$0
Orthodontics	22,901	\$2,873,288
Total	920,229	\$54,348,818

2018 Uniform Dental Enrollees as of 7/1/18

Regular State (non-Medicare)	59,947
Medicare Eligible	18,505
Retirees	4,186
Graduate Assistants	6,174
Wisconsin Public Employee (WPE) Local (Non-Medicare)	1,668
WPE Local Medicare Eligible	82
WPE Local Retiree	66
90,628 Total	

September 2018 Delta Dental Customer Service Statistics for the State of Wisconsin

Reason Description	Number of Inquiries	Percentage of Inquires
Benefits/Coverage/Eligibility	569	50.40%
Claims/Predetermination Status	183	16.21%
Certificate of Benefits	22	1.95%
Dentist Directory	57	5.05%
EBICP Update Member Health Record	2	0.18%
Eligibility Only	74	6.55%
ID Card Request	123	10.89%
Name/Address/Cell #/Email Update	23	2.04%
Par/PPO Dentist Contract	1	0.09%
Payment Issues	45	3.99%
Vision	1	0.09%
Website	29	2.57%
Total	1129	100.00%

The Department of ETF
Service Guarantees
July 1, 2018 – September 30, 2018

Category	Measure	Target	Actual	Definition	Delta Dental Fees at Risk
Claim Quality					
Financial payment accuracy	Accuracy of paid benefit dollars	>99.0%	99.9%	Calculated as the total amount of claim dollars paid correctly, divided by the total claim dollars paid, expressed as a percentage.	1%
Claim processing accuracy	Incidence of claims processed without any error	>97.0%	99.9%	Calculated as the total number of claims processed correctly divided by the total number of claims processed. Processed is defined as the handling of a claim by paying, denying or closing it through a request for additional information. The claims processing accuracy measure recognizes all claim errors, not just errors that result in an under or over payment.	1%
Claims Timeliness (turnaround time-TAT)					
Turnaround time	The timeliness of claims processing	>90% in 14 calendar days	99.1%	TAT is measured from the date a claim is received to the date it is adjudicated (paid, denied or pended.)	1%
		>99% in 30 calendar days	100%		1%
Customer Service					
Call answered rate		Calls answered within 30 seconds at least 95% of the time.	98.6%	Measured from the time a call is placed in the enrollee service queue until the time the caller is connected to a customer service representative.	1%
Call abandonment rate	The percentage of calls that are abandoned before answer	Abandoned phone call rate is at 2% or less.	0.1%	Percentage of calls that reach Delta Dental and are placed in enrollee services queue, but are not answered because caller hangs up before a customer service representative becomes available. Any calls that abandon within 10 seconds of being placed in queue need not be counted. Calculated as the number of calls in enrollee services queue that are abandoned divided by the number of calls placed in queue. Note: Calls that are answered by automated responses (such as claim status and eligibility) are not to be included in the count of calls that reach the facility and are placed in queue.	1%
First call resolution		Service issues resolved on first phone call 98% of the time.	99.5%	First call resolution will be measured quarterly and is defined as a call that is resolved during or after the call is received, and does not result in a follow-up call from the member or the contractor regarding the same issue within thirty (30) Calendar Days of the first call.	1%

Please note: An aggregate maximum of 10% penalty is available based on annual performance guarantees.



Category	Measure	Target	Actual	Definition	Delta Dental Fees at Risk
Customer Service (continued)					
Response to Written Inquiry		Response to written communication averages three (3) Business Days or less.	< 1 Business Day	The average time it takes to respond to written inquiries. Measured from the time a written inquiry is received until the inquiry is handled.	1%
Call Volume Standard		Able to accommodate a call volume of approximately 8,000-10,000 calls per month exclusively for State of Wisconsin members. Call center is staffed to accommodate State of Wisconsin volume.	1,866 calls received for quarter.	The amount of calls from State of Wisconsin members on a monthly basis that can be accommodated by the Vendor's current customer service staff and call tracking system. Capacity is calculated by taking the number of customer service agents times average number of calls handled monthly by customer service agents.	1%
Quality Assurance Review		At least 5% of calls are reviewed for accuracy and quality. This must be completed on a quarterly basis and reported to the State of Wisconsin.	5%	The percentage of phone calls which are reviewed by leadership staff (lead worker, supervisor, manager, etc.) to ensure accurate information was given to State of Wisconsin members and appropriate coaching and training is given to any customer service representatives who fail to accurately respond to member inquiries or concerns. Calculated by taking # of calls monitored divided by total number of calls received for the State of Wisconsin queue.	1%

Please note: An aggregate maximum of 10% penalty is available based on annual performance guarantees.



Category	Measure	Target	Actual	Definition	Delta Dental Fees at Risk
Member satisfaction					
Member satisfaction		>80%	92%	The percent of responses to the member satisfaction survey indicating either satisfied or very satisfied.	1%
Member Complaint Rate					
Member Complaint Rate		Less than 2% of members file complaints	0%	Percent of incoming calls from members, or from others on behalf of a member, which are indicating unsatisfactory or unacceptable service or situations. Number of dissatisfied callers divided by the total number of calls received for the State of Wisconsin queue.	1%
Response to Formal Complaint Rate					
Response to Formal Complaint Rate		Average time to respond to complaints is one (1) Business Day or less. Proposed resolution to be shared with ETF within three (3) Business Days.	1 day	The average time it takes to respond to complaints. If the complaint is written, phone or e-mail contact acknowledging receipt of the complaint must be attempted within one (1) Business Day of receipt of the complaint. Final resolution must be shared with ETF and complainant within three (3) Business Days of the initial complaint. Measured from the time a formal complaint is received until the inquiry is handled.	1%
Website Availability					
Website Availability		Delta Dental's website cannot be unavailable for full participant access for more than 6 non-peak hours per month.	96 seconds	The amount of time that Delta Dental's website is unavailable in a given month must not exceed 6 non-peak hours. Total time in minutes that the website is unavailable.	1%

Please note: An aggregate maximum of 10% penalty is available based on annual performance guarantees.

