



CITY OF ANGELS PO Box 667, 200 Monte Verda St. Suite B, Angels Camp, CA 95222 P: (209) 736-2181

DATE: April 21, 2026
TO: City Council
FROM: Michelle Gonzalez, Finance Director
RE: APPROVAL TO CHANGE GROUP LIFE INSURANCE CARRIER FROM THE HARTFORD TO MADISON NATIONAL LIFE INSURANCE COMPANY

RECOMMENDATION

Adopt Resolution No 26-46 approving the termination of the City’s current group life insurance policy with The Hartford and authorize the City Administrator to execute all necessary documents to transition coverage to Madison National Life Insurance Company, effective July 1, 2026.

BACKGROUND

The City currently provides group Basic Life and Accidental Death & Dismemberment (AD&D) insurance coverage to eligible employees through The Hartford. As part of ongoing efforts to manage costs and ensure competitive benefits, the City’s insurance broker, Keenan & Associates, periodically markets coverage to evaluate alternative providers.

Keenan recently conducted a market analysis and obtained competitive proposals for the City’s life insurance coverage.

DISCUSSION

Keenan has identified Madison National Life Insurance Company as the most competitive provider. The proposal includes:

- A 10% reduction in Basic Life insurance premium rates
- AD&D and Dependent Life rates unchanged
- Comparable coverage levels and benefits to the current plan

The proposed change allows the City to maintain existing employee benefits while achieving measurable cost savings.

No disruption in coverage or reduction in benefits is anticipated as a result of this transition.

Additionally, Keenan has provided updates on other employee benefit coverages effective July 1, 2026:

- SunLife Dental: Renewal with no rate increase through July 1, 2027
- VSP Vision: Proposed 11.94% rate decrease, with an optional enhanced plan that increases the frame allowance from \$150 to \$180 at a reduced cost

These coverages are presented for Council awareness and do not require changes at this time unless directed.

FISCAL IMPACT

The transition to Madison National Life Insurance Company will result in an estimated 10% reduction in life insurance premiums, generating ongoing annual savings to the City.

There is no additional fiscal impact associated with maintaining current AD&D and Dependent Life coverage rates.

The estimated savings of \$186 annually will be reflected in the Fiscal Year 2026–2027 operating budget.

OPTIONS

1. Approve the transition to Madison National Life Insurance Company (recommended)
2. Decline the change and maintain current coverage with The Hartford
3. Provide alternative direction to staff

ATTACHMENTS

1. Keenan Proposal Analysis – Life Insurance
2. Termination Letter Template (The Hartford)
3. Draft Resolution No. 26-46