



City Commission Agenda Item

Meeting Date: October 21, 2025
From: Human Resources Division
Item: 2026 Employee Health Insurance Renewal

Purpose: *Consent Agenda Item.* To secure employee health insurance coverage for the 2026 Plan Year.

Background:

A. Blue Cross Blue Shield of Kansas has submitted a renewal quote for the 2026 plan year (January 1, 2026 – December 31, 2026), reflecting an average premium increase of approximately 17.82%. Acceptance of this renewal will allow the plan to remain unchanged and maintain its current Grandfathered Status.

As part of the renewal, Blue Cross Blue Shield of Kansas has agreed to a one-time premium credit ("premium holiday") in the amount of \$50,000, which represents approximately 2% of the annual premium. This credit will be applied to the January 2026 invoice.

B. Staff recommend increasing employee premium contributions by 5%, effective January 1, 2026 (refer to the chart below for details). If approved, this adjustment is projected to result in an estimated additional annual cost to the employer of approximately \$348,493.44.

Proposed employee contributions for the 2026 Plan Year are as follows:

	Employee Only	Employee + Child(ren)	Employee + Spouse	Employee + Family
200/400 deductible	56.07	112.35	120.41	176.88
500/1000 deductible	41.07	82.25	88.18	129.37
1000/2000 deductible	26.49	53.03	56.87	83.41

Please note: These contributions will be made through payroll deduction on both the first and second paychecks of each month. These contributions are made on a pre-tax basis.

Commission Options:

1. Approve employee health insurance renewal.
2. Disapprove employee health insurance renewal.

Fiscal Impact:

Estimated total annual employer cost approximately **\$2,101,655.64.**

Fund: **01** (General), **15** (Stormwater), **16** (Water), **18** (Wastewater) and **19** (Sanitation)

Department: **All**

Expense Code: **5112** (Medical and Dental Insurance)

☒ Included in budget ☐ Grant ☐ Bonds ☐ Other (explain)

Attachments: Blue Cross Blue Shield of Kansas 2026 plan year renewal documents.

Approved for Agenda by:

Randy Frazer, City Manager