



REQUEST FOR ACTION CITY COUNCIL

Agenda Date: 9/2/2025
Agenda Section: Consent Agenda

Department Origination: Administration

Agenda Item: Approve the Service Agreement with North Risk Partners for Healthcare Consulting Services and Authorize the Mayor to Execute the Said Agreement

Approval Required: Simple Majority Vote

BACKGROUND

Over the past several years, the healthcare industry has become more complex and difficult to navigate to the point that City leadership is no longer able to stay current with trends and adjustments occurring in the industry. In an attempt to maintain stable premiums, the City purchases its healthcare coverage through Sourcewell's healthcare collective. During the past five years, annual premium increases have ranged from 8.3% to 15%, or an average of 10.9% over the five years. The 2026 premium increase is 10.8% to 11.8%. The annual premium increases are not financially sustainable for the City long term.

Administration has approached a reputable company, North Risk Partners, about serving as the City's healthcare advocacy consultant. If hired, the Company would provide the City with the following services:

- Work with Sourcewell in an attempt to improve the proposed premium increase for 2026;
- Evaluate the healthcare insurance policy, City utilization rates, and other relevant data to determine whether the City should go to market in 2025 or 2026; and
- Provide continuous account management, including employee enrollment /education.

A full outline of the scope of proposed services is illustrated in the attached proposal.

FINANCIAL IMPLICATIONS

Staff recommends utilizing Administration's professional services budget and 2025 contingency budget to cover the expenditures through 2025. The cost will need to be included into the 2026 budget.

STAFF RECOMMENDATIONS

Staff recommends the approval and execution of the North Risk Partners Service Agreement for healthcare insurance advisory services.

COUNCIL ACTION REQUESTED

Approve the Service Agreement with North Risk Partners for Healthcare Consulting Services and Authorize the Mayor to Execute the Said Agreement