THE CITY OF BURLESON TEXAS

HR Benefit RFP/Contracts – Plan Year 2027

PRESENTED TO THE CITY COUNCIL – JULY 20, 2026

WANDA BULLARD, DEPUTY DIRECTOR OF HUMAN RESOURCES

BACKGROUND
RFP - BENEFITS

THE CITY OF BURLESON TEXAS

Request for Proposal (RFP) completed in May 2026 for most benefit coverages beginning in plan year 2027 with renewal options for multi-year agreements:

- Dental Third Party Administration (TPA) for Self-Insured Dental
- Vision Fully Insured
- Health Savings & Spending Account Administrative Services
  - Health Savings Account (HSA)
  - Health Reimbursement Account (HRA)
  - Flexible & Limited Purpose Spending Account (FSA/LPFSA)
  - Dependent Care Account (DCA)
- COBRA Administration
- Employee Assistance Program (EAP)
- Life & Disability
- Employee Paid Voluntary Worksite Benefits – Accident, Critical Illness, Hospital Indemnity, Prepaid Legal and Identity Theft Protection, and Pet Insurance

** Only Medical/Pharmacy coverage not in RFP - will go to market in 2028 for plan year 2029*

Executive Summary

$24,350 in total projected first-year annual savings comparing current enrollment factors and current rates.

- Rate enhancements in Life & Disability, Spending Accts/COBRA Administrative services, and EAP
- Recommendations designed to ensure cost savings while maintaining competitive plans with long-term flexibility
- Vendor recommendations are balanced between high performing incumbent vendors and strategic new vendors with proven service quality and fiscal value

RFP Recommendation Summary

Line of Coverage	Current Vendor	New Vendor	Paid By	Contract Term	1st Year Savings/Increase	Approval Authority
Dental - Third Party Admin (TPA) Self-Insured Vision - Fully Insured	United Healthcare (UHC)	United Healthcare (UHC)	City ***Employee***	2 Years *(will go back to market at same time as Medical for 2029)*	**$0** **$0**	City Council
Life & Disability Accident, Critical Illness, & Hospital Indemnity	Symetra Colonial Life	New York Life	City & ***Employee*** ***Employee***	3 Years	**($16,000)** **($922)**	City Council

RFP Recommendation Summary

Line of Coverage	Current Vendor	New Vendor	Paid By	Contract Term	1st Year Savings/Increase	Approval Authority
Health Savings Acct (HSA) Flex Spending Accts (FSA), & COBRA Administration Services	HSA Bank FloresHR	HSA Bank	City	Up to 5 Years	**($3,054)** (total savings based on bundled pricing across each line of coverage)	City Manager
Employee Assistance Program (EAP)	Alliance Work Partners (AWP)	Alliance Work Partners (AWP)	City	Up to 5 Years	**($1,584)**	City Manager
Prepaid Legal/ID Theft	Legal Shield	Legal Shield	***Employee***	3 Years	**($2,790)**	City Manager
Pet Insurance	Spot	Spot	***Employee***	1 Year	**$0**	City Manager

Key Factors

Dental – UHC

Pricing competitive with all bidders, reputable carrier and service, no disruption, aligns major health products with UHC for one vendor ensuring continuity in care and service.

Vision – UHC

Reputable carrier and service, no provider disruption, aligns major health products with UHC for one vendor ensuring continuity in care and service. As employee paid benefit, carrier plans presented to Benefits Committee – employee feedback was to stay with UHC for better provider network and better Buy Up plan as a new option for coverage.

Aligning contract term for Dental & Vision with the Medical/Pharmacy cycle enables a more strategic approach going forward with these 3 core benefits marketed together in 2028 for 2029 plan year.

Key Factors

Life & Disability – NY Life

Provided strongest overall offer with savings on the employer-paid lines while maintaining rates on employee-paid coverage. Offered $10,000 implementation credit and 3-year rate guarantee. Aligns similar coverages with one vendor ensuring continuity in care and services.

Accident, Critical Illness, & Hospital Indemnity – NY Life

Provided overall competitive bid providing enhancements while keeping current rates. Aligns similar coverages with one vendor ensuring continuity in care and service.

Aligning NY Life for Life & Disability with Voluntary Worksite Benefits enables automatic claims across other lines of coverage for employees when a claim is initiated in one line of coverage.

Key Factors

HSA/FSA & COBRA Administration – HSA Bank

Pricing competitive across all bidders with best overall savings and reputable, strong existing carrier. Additionally, keeps administration independent from a medical TPA, avoiding a full platform transition if medical carrier changes in the next marketing cycle.

Employee Assistance Program (EAP) – AWP

Reputable, strong existing carrier performance, delivering a 12% cost reduction while maintaining the current program structure.

Prepaid Legal & Identity Protection – Legal Shield

Reputable, strong existing carrier maintaining the current program structure while reducing rates for identity theft 5.5% - 8.5% depending on tier.

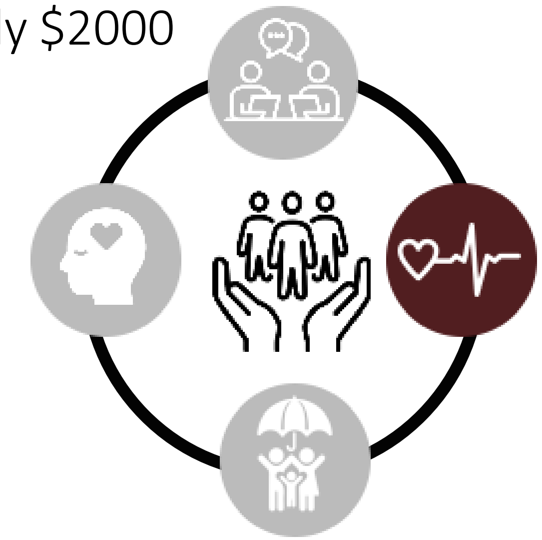
Pet Insurance – Spot

Reputable, strong existing carrier performance. Pricing competitive across the bidders and plan designs.

Contracts for City Council Approval

United Healthcare (UHC) – Plan Year 2027

- Medical and dental third-party claims administration for self-funded plans
- Naviguard out-of-network claims negotiation, which lowers claims expense
- Vision fully insured plan - employee paid coverage (no fiscal impact)
- UHC provides $45,000 wellness credit and $15,000 communications credit
- UHC providing one-time tech credit based on Vision enrollment - approximately $2000
- Requesting expenditure authorization for one year at a time under multi-year agreement due to actual expenditures based on enrollment
- Costs included in the FY 27 budget



United Healthcare (UHC) – Plan Year 2027

- Costs are based on actual enrollment, which varies throughout the plan year – estimated costs:

Third-Party Administration Fees and Vision Fully Insured Premiums

Coverage Type	Current Actual Enrollment	* Total Estimated Enrollment for Plan Year 2027	Cost PEPM	Plan Year 2027 Annual Cost
Medical - TPA	385	400	$15.86	$76,128.00
Dental - TPA	422	437	$4.15	$21,762.60
			CITY COST TOTAL	**$97,890.60**
Vision – Fully Insured Employee Paid	355	370	$7.56 Emp / 16.24 Fam $10.62 Emp / $22.84 Fam	$67,857.44
			CITY COST AND EMPLOYEE PAID TOTAL	**$165,748.04**

** Includes adding 15 enrollments to account for filling 15 vacancies throughout the year.*

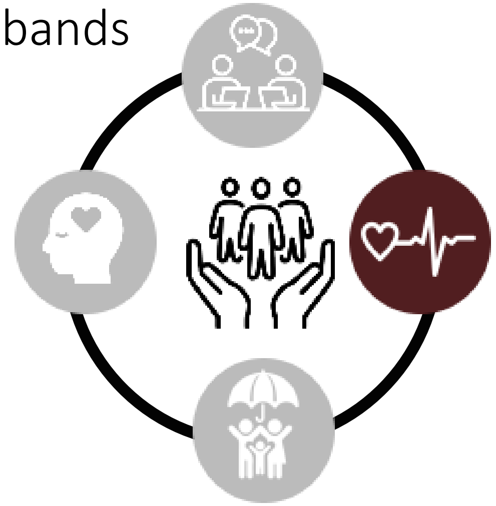
- Medical and dental TPA fees are estimated to be under proposed Fiscal Year 2027 budget
  - Budget = $105,754.16
  - Estimated Cost = $90,360.45

New York Life - Plan Year 2027

- City Provided - Basic Employee Life/AD&D, Basic Dependent Life, and Long-Term Disability. Coverage includes:
  - Occupational death benefit
  - Bereavement & grief support
  - Travel assistance
  - Identity theft assistance
  - Health champion
  - Beneficiary assistance
- Employee Paid Optional Coverages (no fiscal impact) - Employee & Dependent Life, Short-Term Disability, Accident, Critical Illness, and Hospital Indemnity

New York Life - Plan Year 2027

- $10K in implementation credits
- 3 year rate guarantee
- Vendor alignment for these products allows for automated claims processing across multiple lines of coverage to ensure benefit utilization of elected insurance plans
- Requesting expenditure authorization for one year at a time under multi-year agreement due to actual expenditures based on enrollment, salaries and/or age bands
- Costs included in the FY 27 budget
- Expenditure authorization includes a contingency of $3,258.47 in the event compensation market adjustments are approved for 2027



New York Life – Plan Year 2027

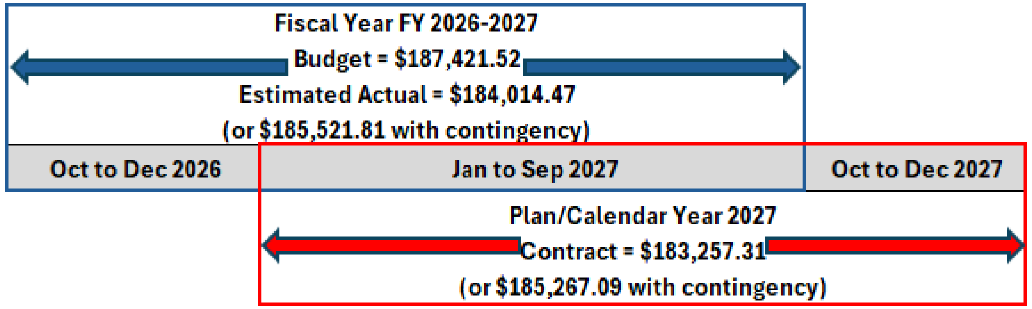
- Costs are based on actual enrollment, salaries, and age bands which varies throughout the plan year – estimated costs:

City Provided and Employee Paid Life and Disability Benefit Premiums

Coverage Type	Current Actual Enrollment	* Total Estimated Enrollment for Plan Year 2027	Plan Year 2027 Annual Cost	Plan Year 2027 Cost with Contingency
City Provided Employee Life & AD&D	426	441	$103,178.81	$104,408.18
City Provided Dependent Life Insurance	292	307	$11,052.00	$11,052.00
City Provided Long Term Disability	426	441	$69,026.50	$69,806.91
		CITY PROVIDED TOTAL	**$183,257.31**	**$185,267.09**
Employee Paid Optional Coverages	Varies by Coverage		**$245,682.78**	**$246,931.57**
		CITY PROVIDED & EMPLOYEE PAID TOTAL	**$428,940.09**	**$432,198.66**

** Includes adding 15 enrollments to account for filling 15 vacancies throughout the year.*

- Life and disability costs are estimated to below the proposed Fiscal Year 2027 budget
  - Budget = $187,421.52
  - Estimated Expense = $184,014.47
    (or $185,521.81 with contingency)



City Council Considerations and Actions:

1. Consider and take possible action on a minute order for a contract renewal with United Healthcare (UHC) and authorizing an expenditure of third-party administration of the medical plan (CSO# 5997-12-2025), dental plan, and vision plan in an amount of $165,748.04 for plan year 2027.

2. Consider and take possible action on an agreement with New York Life for life, disability, accident, critical illness, and hospital indemnity insurance benefits in an amount of $428,940.09 with a contingency of $3,258.47, for a total amount of $432,198.66 for plan year 2027.

Approve

Deny

Questions / Comments

Wanda Bullard
Deputy Director of Human Resources
wbullard@burlesontx.com
817.426.9644