



HR Benefits – UHC Contract Renewal 2026

PRESENTED TO THE CITY COUNCIL – DECEMBER 15, 2025

WANDA BULLARD, DEPUTY DIRECTOR OF HUMAN RESOURCES

2021 RFP conducted for benefit plan years 2022 up to 2026 for multi-year contracts and renewal options:

- United Healthcare – Medical/Dental/Vision Carrier
- Costs approved in the FY26 budget
- This is the final renewal for the 2021 RFP

BACKGROUND

United Healthcare (UHC) – Plan Year 2026

- Medical and dental third-party claims administration for self-funded plan
- Naviguard out-of-network claims negotiation estimated to lower claims expense by \$64,266
- Vision fully insured plan employee paid coverage (no fiscal impact)
- UHC provides \$45,000 wellness credit and \$15,000 communications credit



United Healthcare (UHC) – Plan Year 2026

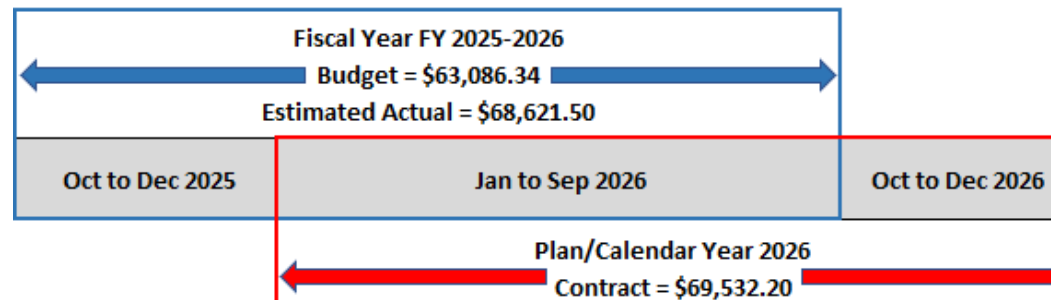
- Costs are based on actual enrollment, which varies throughout the plan year – estimated costs:

Third-Party Administration Fees and Vision Fully Insured Premiums

Coverage Type	Current Actual Enrollment	* Total Estimated Enrollment for Plan Year 2026	Cost PEPM	Plan Year 2026 Annual Cost
Medical - TPA	373	395	\$10.12	\$47,968.80
Dental - TPA	411	433	\$4.15	\$21,563.40
Vision – Fully Insured	340	362	\$7.56 Emp / 16.24 Family	\$54,912.96
TOTAL				\$124,445.16

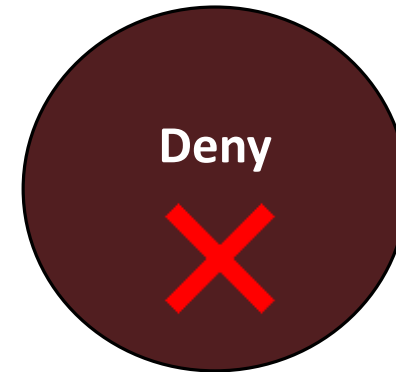
* Includes adding 22 enrollments to account for the 7 new FY 2026 positions and filling 15 vacancies.

- Medical and dental TPA fees are estimated to be slightly over the Fiscal Year 2026 budget
 - Medical and dental TPA budget = \$63,086.34, estimated cost = \$68,621.50.



City Council Considerations and Actions:

Consider and take possible action on a minute order authorizing an expenditure of \$124,445.16 on a contract renewal with United Healthcare (UHC) (CSO #5321-12-2023) for third party administration of the medical and dental plans and the fully-insured vision plan for 2026



Questions / Comments

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