



**City Council Agenda
August 20, 2026**

Minutes Resolution

Action Item

Agenda Description:

Discuss, consider, and possible action authorizing the City Manager to execute employee benefit contracts with Blue Cross Blue Shield of Texas and United Concordia. (Staff Resource: B Grounds)

Background Information:

Due to our high loss ratio and standard market increases, Blue Cross Blue Shield (BCBS) responded with a 49.4% renewal increase to the current medical plan. As a result, we are proposing a slight plan change. That change affects the deductible and maximum out-of-pocket amounts. The proposed plan is a PPO plan that utilizes the existing BCBS BlueChoice network and does not affect co-pay rates.

Due to our high loss ratio and standard market increases, BCBS proposed a 49.4% renewal increase to the current medical plan. As a result, we are proposing a slight modification to the plan that would increase the deductible and maximum out-of-pocket amounts. The proposed plan remains a PPO that utilizes our current BCBS BlueChoice network and does not change current co-pay amounts.

United Concordia offered a two-year rate guarantee for dental and vision premiums, along with a bundling discount.

Financial Information:

Cost will be reflected in the FY 2026-2027 budget.

City Contact and Recommendations:

Staff recommends approving the changes to the FY 2026-2027 benefit plans. (Staff Resource: B. Grounds)

Attachments: