

STAFF REPORT REGULAR MEETING

AGENDA DATE: September 15, 2026

DEPARTMENT: Human Resources

TITLE:

Standard Insurance Policies for FY 2026/27 Employee Health and Welfare Benefits

SUMMARY:

These policies authorize the following:

1. CIGNA to provide Health and Dental Insurance
2. EyeMed to provide Vision Insurance
3. New York Life to provide employer sponsored Life and AD&D Insurance
4. New York Life to provide voluntary supplemental plans, including Long-Term Disability (LTD), Short-Term Disability (STD),
5. Cigna to provide voluntary supplemental insurance options, including Accident, Critical Illness, Cancer, and Hospital Indemnity Insurance.
6. Bree Health to provide Employment Assistance Program (EAP) Services
7. Sibly by Quarvis Health to provide Mental Health Text Based Support
8. Upswing to provide COBRA Administrative Services
9. Upswing to provide Flexible Spending Account (FSA) Services
10. Preferred Legal to provide voluntary Legal Insurance

BACKGROUND AND JUSTIFICATION:

Our Benefits Broker of Record, The Gehring Group, conducts the negotiation of the City's standard employee health and welfare insurance policies. Our current health insurance carrier, CIGNA, has agreed to offer the City the opportunity to continue with identical employee health and dental benefit plans from our current fiscal year into our next fiscal year at a 6 percent (6%) increase for medical insurance coverage, with the City absorbing the cost of the increase. A zero percent (0%) increase for dental insurance coverage, a zero (0%) percent increase for vision insurance coverage, and a forty-point one (40.1%) percent decrease for the Employee Assistance Program (EAP) are also recommended. The 40.1% decrease to EAP insurance coverage is due to switching to a new vendor, Bree Health, who will provide expanded access and enhanced support to employees, as well as an increased number of EAP visits from six (6) to eight (8) provided to city employees at no cost to themselves. To further strengthen mental-health resources, Staff seeks approval to implement a standalone text-message-based support service administered by Sibly (Quarvis Health). This service provides confidential, real-time mental-health support accessible via mobile phone, complementing the traditional EAP by offering an additional avenue for employees to receive assistance. Following the uncertainty that certain specialty prescription drugs have brought to the health insurance market and several years of without premium increases, continuation of these plans for the coming fiscal year is the most prudent course of action for the City.

MOTION:

Move to approve/disapprove the group insurance policies, subject to negotiation of contract terms:

1. CIGNA to provide Health and Dental Insurance
2. EyeMed to provide Vision Insurance
3. New York Life to provide employer sponsored Life and AD&D Insurance
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ATTACHMENT(S):

Fiscal Impact Analysis
Employee Benefit Highlight Booklet
EAP Provider Evaluation
Executive Summary

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Inflows/Revenues					
Appropriated (Budgeted)	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$4,826,027	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	0	\$4,826,027	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

New Appropriation (Budgeted in FY27)	
	Expenditure
Department	Employee Benefits
Division	Benefits
GL Description	Professional Services – Medical
GL Account Number	540-1320-513.31-40
Project Number	N/A
Requested Funds	\$4,826,027
Remaining Balance	\$315,058
Source of Revenue (i.e. Paygo. Current Revenue, Bond Money, Grants, etc.)	Paygo; pending budget adoption