

STAFF REPORT REGULAR MEETING

AGENDA DATE: July 15, 2025

DEPARTMENT: Human Resources

TITLE:

Standard Insurance Policies for FY 2025/26 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 Long-Term Disability (LTD) and Short-Term Disability (STD) Insurance
5. CIGNA to provide EAP Services
6. Benefits Workshop to provide COBRA Administrative Services
7. Benefits Workshop to provide Flexible Spending Account (FSA) Services
8. 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 three and a half percent (3.5%) increase for medical insurance coverage, four and a half percent (4.5%) increase for dental insurance coverage, a zero (0%) percent increase for vision insurance coverage, and a fourteen point one (14.1%) percent increase for the Employee Assistance Program (EAP). The 14.1% increase to EAP insurance coverage is due to an increased number of EAP visits from six (6) to nine (9) provided to City employees at no cost to themselves. 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. The overall increase is approximately \$160,000 or 4% when compared to prior year estimates. (See employee benefit executive summary).

MOTION:

Move to approve/disapprove the group insurance policies:

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ATTACHMENT(S):

Fiscal Impact Analysis
 Executive Summary
 Renewal Evaluation
 COBRA Rates
 Imputed Income Rates for Overage Dependents and Domestic Partners

FISCAL IMPACT ANALYSIS

Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
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
Outflows/Expenditures					
Appropriated (Budgeted)	0	0	0	0	0
Operating	0	\$4,197,203	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact (If not budgeted)	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

New Appropriation (Not Budgeted) Fiscal Impact:		
	Revenue Source	Expenditure
Department	All Departments	Employee Benefits Fund
Division	All	Benefits
GL Description	Life and Health Insurance	Life and Health Insurance
GL Account Number	All departments exp ending with 23-00	540-1320-513-23-90
Project Number	N/A	N/A
Requested Funds	\$ 4,197,203	\$4,197,203
Remaining Balance	N/A	N/A