



MAYOR AND CITY COUNCIL OF LAUREL DEPARTMENT OF BUDGET AND PERSONNEL SERVICES

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September 16, 2025

MEMORANDUM

TO: Mayor Keith R. Sydnor
President Kyla Clark
Laurel City Councilmembers
THRU: Nekesa Matlock, Deputy City Administrator
FROM: Lisa Woods, Deputy Director-BAPS
SUBJ: Employee Benefit Insurance

The City's current broker, NFP Group, has provided quotes for employee health, dental, and vision insurance on the four types of employee benefit insurance the City currently provides, which includes the following:

Specifications:

1. Open Access HMO Health Plan,
2. HMO Health Plan with Out-of-Network benefits,
3. Dental Plan DPPO, and
4. Vision Plan

The City currently offers these coverages to full-time and part-time employees, elected officials, and eligible dependents. Enrollment is optional and requires enrollee payments of 20% of the cost of their selected option with the exception of the vision coverage. Retirees may also enroll in these plans with a maximum reimbursement of \$500 per month.

The City is currently in a three-year contract with Cigna (November 1, 2022 to October 31, 2025) that had a renewal rate increase of 5% each year. NFP Group contacted Cigna to get an updated quote on a new insurance rate for the City. Cigna proposes an increase over current rates of 4.3% for a one-year contract. There were no other rates quoted due to the City receiving a considerable low renewal rate from Cigna. The current industry rate renewals for employers with between 100 and 200 employees are between 7.3% and 9.2%. With Cigna offering a low renewal rate, other insurance companies declined to quote.

Funding:

The FY2026 Adopted General Operating Budget provides \$3,362,970.00 for employee coverage and \$307,165.00 for retiree coverage under Employee Insurance.

Bid Recommendation – Employee Benefit Insurance
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Recommendation:

It is recommended that the Mayor and City Council award Cigna with the health, dental and vision insurance for the plan period of November 1, 2025, to October 31, 2026, at an increase rate of 4.3%. At this time, there are a number of City employees and dependents struggling with significant/difficult illnesses. It is also for this reason that staff requests approval to remain with Cigna.

Employees Health Insurance

LOW	Monthly	Annual	Biweekly	City	Employee
Employee	\$1,100.06	\$13,200.72	\$507.72	\$406.18	\$101.54
Double	\$2,101.11	\$25,213.32	\$969.74	\$775.79	\$193.95
Family	\$3,223.15	\$38,677.80	\$1,487.61	\$1,190.09	\$297.52
HIGH	Monthly	Annual	Biweekly	City	Employee
Employee	\$1,168.57	\$14,022.84	\$539.34	\$431.47	\$107.87
Double	\$2,231.94	\$26,783.28	\$1,030.13	\$824.10	\$206.03
Family	\$3,423.87	\$41,086.44	\$1,580.25	\$1,264.20	\$316.05

Elected Officials Health Insurance

LOW	Monthly	City	Employee
Employee	\$1,100.06	\$880.05	\$220.01
Double	\$2,101.11	\$1,680.89	\$420.22
Family	\$3,223.15	\$2,578.52	\$644.63
HIGH	Monthly	City	Employee
Employee	\$1,168.57	\$934.86	\$233.71
Double	\$2,231.94	\$1,785.55	\$446.39
Family	\$3,423.87	\$2,739.10	\$684.77

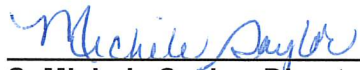
Retirees Health Insurance

The City contributes a monthly payment, not to exceed \$500.00 towards the retiree's coverage only, regardless of choice of plan.

LOW	Retiree	Annual
Employee	\$1,100.06	\$13,200.72
Double	\$2,101.11	\$25,213.32
Family	\$3,223.15	\$38,677.80
HIGH	Retiree	Annual
Employee	\$1,168.57	\$14,022.84
Double	\$2,231.94	\$26,783.28
Family	\$3,423.87	\$41,086.44

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Reviewed:



S. Michele Saylor, Director
Department of Budget and Personnel Services



Date

cc: Christian L. Pulley, CPM, City Administrator
Nekesa Matlock, Deputy City Administrator



9/18/2025