



AGENDA REPORT

City Council Meeting

TODAY'S DATE: October 1, 2026

MEETING DATE: October 7, 2026

TO: City Council

FROM: Mayor Jeremy Grimm

SUBJECT: Approve 2027 Employee Benefits Contracts and Insurance Policies

DESCRIPTION/BACKGROUND:

The City has received the annual benefit renewal information for Blue Cross of Idaho and Delta Dental, effective January 1, 2027. The Blue Cross of Idaho renewal was issued at the 12% renewal cap for 2027. Currently, the City contributes \$2,000 annually to HealthEquity for all employees enrolled in the HSA Medical Plan. Beginning January 1, 2027, it is suggested to change to a two-tier HSA contribution structure. Employees enrolled in employee-only coverage will receive an annual City contribution of \$500, while employees enrolled in all other coverage levels will continue to receive the \$2,000 annual contribution. For dental coverage, the employee-only premium will remain at \$45 per month, while the premiums increase for dependents. The increases for the other coverage tiers increase from 4.65% to 6%. The employer dental administrative fee (PEPM) increased from \$9.64 to \$9.93 (100% City paid). Please see the attached dental coverage form for the specific premium changes. Vision increased 2.5% across all tiers (100% employee paid) and Life Insurance (also 100% employee paid benefit) remain the same. Due to consistently low utilization of the Employee Assistance Program over the past several years, it is suggested to discontinue the program as part of the City's employee benefits package effective January 1, 2027.

STAFF RECOMMENDATION:

- Staff recommends a Motion to approve the 2027 employee benefits contracts and insurance policies.

ACTION:

- Motion to approve 2027 employee benefits contracts and insurance policies

WILL THERE BE ANY FINANCIAL IMPACT? Yes HAS THIS ITEM BEEN BUDGETED? Yes

ATTACHMENTS:

Proposed Resolution

2027 Blue Cross of Idaho Employee Benefit Booklet

2027 Blue Cross of Idaho Agreement and Delta Dental Renewal Letter

2027 Employee Benefits Summary