



Wylie City Council

AGENDA REPORT

Department: Purchasing
Prepared By: Glenna Hayes

Account Code: Various

Subject

Consider, and act upon, Modification No. 1 to Wylie Contract #W2021-76-A for Employee Medical, Dental and Rx Benefits with Cigna Health and Life Insurance Company in an estimated annual amount of \$350,000.00; and authorizing the City Manager to execute any necessary documents.

Recommendation

Motion to approve Item as presented.

Discussion

The City received its renewal from CIGNA for the 2022-2023 plan year. For the medical plan, the overall rates increased an average of 7.25% for the City, with enhancements for the following benefits:

- Durable Medical Equipment (DME) will be covered at 100%, and
- Cigna is amending in-office procedures and injectables, to be covered under the office visit copay.

All other medical benefits and the plan design remain the same.

For the dental plan, the rates did not increase, and Cigna is enhancing the Out-of-Network reimbursements for dental providers. All other dental benefits and the plan design remain the same.

Staff recommends approval of Modification No. 1 to Wylie agreement #W2021-76-A with Cigna Health and Life Insurance Company which will increase the overall annual expenses by an average 7.25% (approximately \$350,000) as providing the best overall value to the City. This modification is for year 2 of the initial 3-year term (additional renewal periods remaining), for employee medical, dental and Rx benefits.