

Legislation Text

File #: 2760, **Version:** 1

CC MEETING: August 2, 2016

DATE: July 27, 2016

TO: Leonard Martin, City Manager

FROM: Chrystal Davis, Director of Workforce Services

Consider A **Resolution Authorizing The City Manager To Enter Into An Agreement With Cigna For Employee Medical, Dental And Prescription Benefits.**

BACKGROUND:

IPS Advisors issued an RFP in April for Medical, Dental and Prescription coverage services, amongst other benefits, on behalf of the City of Carrollton. On June 9, 2016 IPS presented proposals from 8 vendors. Carrollton interviewed 4 of those vendors and subsequently requested best and final offers from each of them. After review of the best and final offers IPS, as well as City staff, recommends Cigna. The attached resolution authorizes the City Manager to enter into an agreement with Cigna for the aforementioned services.

FINANCIAL IMPLICATIONS:

As the transition from TML to Cigna was explored, medical and prescription claims were repriced under Cigna which resulted in a total that was \$93,925 less than what was processed under TML for the same period. Repricing estimates are not a guarantee of future results however the potential for savings aligns well with our self-funded health plan. Funds for medical, dental and prescription claims will be paid out of the Employee Health Trust, which is funded by employer and employee contributions. Participation in this agreement guarantees our rates for three years beginning January 1, 2017.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends adoption of the attached resolution authorizing the City Manager to execute a contract with Cigna to be effective January 1, 2017.