

# CITY OF HIGH POINT

## AGENDA ITEM



### **Title: Cigna Contract Renewal – Employee Health Care**

**From:** Angela Kirkwood, Director of Human Resources

**Meeting Date:** August 15, 2022

**Public Hearing:** N/A

**Advertising Date**  
**Advertised By:** N/A

**Attachments:** Cigna Healthcare Contract

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### **PURPOSE:**

Renew the contract between Cigna Healthcare and the of City of High Point for city employee's healthcare coverage plan year of January 1, 2023, to December 31, 2023.

### **BACKGROUND:**

The City of High Point offers healthcare coverage to its employees that include medical and dental care products. The plan year runs from January 1<sup>st</sup> to December 31<sup>st</sup>. At the Finance Committee Meeting on Thursday, August 11, 2022, Mark Browder of Mark III Employee Benefits, briefed the City Council on the Medical Plan and Dental Plan Renewal options.

Cigna Healthcare medical costs increased by 6.10 %. The annual costs are \$20,361,200. There is also a 6.10% increase in the Cigna's dental coverage, and the annual cost are \$1,214,447. Staff will initiate conversations with healthcare providers during the first quarter of 2023, and present options to City Council in the Summer for the January 1, 2024, to December 31, 2024, plan year.

### **BUDGET IMPACT:**

Funds for healthcare coverage for City of High Point employees are included in the FY 2022-23 budget.

### **RECOMMENDATION / ACTION REQUESTED:**

Council is requested to authorize the City Manager to execute a twelve (12) month contract with Cigna Healthcare for healthcare coverage for city employees. Contract will be effective January 1, 2023, to December 31, 2023.