

CITY OF HIGH POINT

AGENDA ITEM

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

From: Angela Kirkwood, Director of Human Resources

Meeting Date: September 20, 2021

Public Hearing: N/A

Advertising Date:
Advertised By:

Attachments: Cigna Healthcare Contract

PURPOSE:

Renew the contract between Cigna Healthcare and the City of High Point for employee healthcare coverage for plan year of January 1, 2022 to December 31, 2022.

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 1st to December 31st. On Monday, August 16, 2021, Mark Browder of Mark III Employee Benefits, briefed the City Council on the Medical Plan and Dental Plan Renewal options.

BUDGET IMPACT:

Cigna Healthcare medical costs increased by 5.61 %. The annual costs are \$19,647,459. There is also a 5.61% increase in the Cigna's dental coverage, and the annual cost are \$1,141,798. Staff will initiate conversations with healthcare providers during the first quarter of 2022, and present options to City Council in the Summer for the January 1, 2023 to December 31, 2023, plan year. Funds are available in the recently adopted FY 2021-22 budget to cover this contract.

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, 2022, to December 31, 2022.