OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS

BOARD OF DIRECTORS COMMUNICATION
OCTOBER 20, 2026 AGENDA

Subject:	**Action Required:**	**Approved By:**
Self-funded Medical Plan Reinsurance and Claims Administration Contract with Cigna Healthcare **Submitted By:** Human Resources Department	Ordinance √ **Resolution**	Delphone Hubbard City Manager

SYNOPSIS	A resolution to authorize the City Manager to enter into a contract with Cigna Healthcare, in an amount not to exceed $28,745,913.00, for self-funded medical plan reinsurance and claims administration for the period of January 1, 2027, to December 31, 2027.
FISCAL IMPACT	Funding for this contract is included in the 2027 budget line item in the new fund entitled the Employee Health Self-Insurance Fund in Account No. 602001-63250.
RECOMMENDATION	Adopt the Resolution.
BACKGROUND	The City's fully insured group medical plan was presented with a renewal quote thirty-four percent (34%) higher than the expiring premium. The City's benefit consultant, JTS Financial, issued a Request for Proposal (RFP) for both fully insured and self-funded group medical coverage. The incumbent carrier, Cigna Healthcare, was the only carrier to provide a fully-insured quote. After several years of research, the City has elected to transition to a self-funded group medical plan which requires reinsurance and claims administration, beginning January 1, 2027, with Cigna Health transitioning to the reinsurer and claims administrator. The HR Department is requesting the option for 7 1-year renewals of this contract.