RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A CONTRACT WITH CIGNA HEALTHCARE, IN AN AMOUNT NOT TO EXCEED TWENTY-EIGHT MILLION, SEVEN HUNDRED FORTY-FIVE THOUSAND, NINE HUNDRED THIRTEEN DOLLARS ($28,745,913.00), FOR SELF-FUNDED MEDICAL PLAN REINSURANCE AND CLAIMS ADMINISTRATION FOR THE PERIOD OF JANUARY 1, 2027, TO DECEMBER 31, 2027; AND FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock ("City") offers group health insurance for City employees and their dependents; and,

WHEREAS, the Board of Directors of the City decided in 2017 that JTS would have the ability to conduct any competitive selection process for the City's insurance needs by adopting Little Rock, Ark., Ordinance No. 21,442 (July 5, 2017); and,

WHEREAS, due to rising insurance costs and the desire to improve employee health, the Human Resources Benefits Division and the City's Employee Benefits Consultant, JTS Financial Services, LLC ("JTS") began to explore alternative funding options with the goal of becoming partially or fully self-funded; and,

WHEREAS, in August 2026, JTS issued a request for both fully insured and self-funded group medical coverage; and,

WHEREAS, incumbent carrier, Cigna Healthcare, was the only carrier to provide a fully-insured quote; and,

WHEREAS, renewal of the City's current fully insured group medical plan premium was quoted at a Thirty-Four (34%) percent increase from the previous year; and,

WHEREAS, on September 29th, 2026, JTS presented to the Board of Directors a fully self-funded group medical plan overview for the 2027 coverage year; and,

WHEREAS, Cigna Healthcare was selected as the most qualified respondent to provide group medical administration and network services for the City's 2027 fully self-funded employee group health plan for an amount not to exceed Twenty-Eight Million, Seven Hundred Forty-Five Thousand, Nine Hundred Thirteen Dollars ($28,745,913.00); and,

WHEREAS, the contract term is for one (1) year (2027), with an option to extend the contract for seven (7) additional one (1) year terms by mutual agreement of the parties.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. The City Manager is authorized to enter into an agreement with Cigna Healthcare in an amount not to exceed Twenty-Eight Million, Seven Hundred Forty-Five Thousand, Nine Hundred Thirteen Dollars ($28,745,913.00), for self-funded medical plan reinsurance and claims administration for the period of January 1, 2027, to December 31, 2027. The City shall have the option to extend the contract for seven (7) additional one (1) year terms by mutual agreement of the parties.

Section 2. Funding for this contract will be included in the 2027 budget line item in Employee Health Self-Insurance Fund Account No. 602001-63250.

Section 3. ***Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this resolution is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of the resolution which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the ordinance.

Section 4. ***Repealer.*** All laws, ordinances, resolutions, or parts of the same that are inconsistent with the provisions of this resolution are hereby repealed to the extent of such inconsistency.

ADOPTED: October 20, 2026

ATTEST:	**APPROVED:**
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Allison Segars, City Clerk	**Frank Scott, Jr., Mayor**

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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