

**OFFICE OF THE CITY MANAGER
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION
OCTOBER 5, 2026 AGENDA**

Subject 26-27 Self-funded Vision Plan Extension with VSP, for City of Little Rock employees and their dependents Submitted by: Human Resources Department	Action Required: Ordinance ✓ Resolution	Approved By: Delphone Hubbard City Manager
SYNOPSIS	A resolution to authorize the City Manager to enter into an administrative services agreement with Southwest Vision Service Plan Inc. d/b/a VSP, to provide claims administration handling for the City's self-funded group vision insurance plan for City employees and their dependents, for a 1-year period from January 1, 2027, to December 31, 2027.	
FISCAL IMPACT	The amount is not to exceed \$225,000.00. Funding for this contract is included in the 2027 Budget line item for Group Vision Insurance Accounting Unit No. 210259, Account No. 53400-S00B329.	
RECOMMENDATION	Adopt the Resolution.	
BACKGROUND	The City offers Vision Insurance to City employees and their dependents and retirees. The City's Vision Insurance is a self-funded plan therefore the City pays claims, which are administered by VSP under the terms of this agreement with the current administrative rate guaranteed through December 31, 2028. In 2016, after the competitive selection process VSP was determined to be the most qualified applicant with the best overall rate to provide vision insurance plan administration. Resolution No. 14,446 (November 1, 2016) authorized the initial 2017 term of the VSP contract with the final term in 2023. The City's employee benefit consultant, JTS, evaluated the self-insured vision insurance market and determined once again that VSP was the most qualified with the best overall rate. Under Resolution No. 16,106, the Board approved the new contract term beginning January 1, 2024, with 7, 1-year subsequent renewals. This is year four (4) of a potential seven (7) year term.	