City of Asheville Staff Report

City Council Meeting Date: June 9, 2026

Staff Resources: Emily Provance, HR Director

Action Requested: Adoption of a resolution authorizing the City Manager to enter into a contract with Cigna Health and Life Insurance Company for Stop Loss Insurance.

Background:

- Stop-loss insurance is necessary because the City's health care costs are self-funded.
- This coverage caps our liability, protecting the organization from catastrophic or unpredictable medical claims.

Vendor Outreach:

- Staff performed outreach through the RFP process which included posting on the City's website and performing outreach in accordance with applicable purchasing and Asheville Business Inclusion policies.

Council Vision 2036 Focus Area(s):

- Thriving Local Economy

Council Priority Recovery Area(s):

- People

Committee(s): n/a

Fiscal Impact:

- Funding for Year 1 ($2,070,000) is available in the Health Services FY 2026-27 proposed budget.

Suggested Motion:

- Motion to authorize the City Manager to (1) enter into a contract on behalf of the City of Asheville with Cigna Health and Life Insurance Company to provide stop loss insurance coverage to eligible employees and their dependents; (2) execute said contracts for administrative services in an amount not to exceed $2,070,000, and (3) execute any necessary change orders to said contracts.

Attachment:

- Resolution

City of Asheville Resolution Number 26-___

Resolution authorizing the City Manager to enter a contract with Cigna Health and Life Insurance Company for stop loss insurance coverage and administrative services

Whereas, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

Whereas, City staff recommends contracting with Cigna Health and Life Insurance Company to provide administrative services in the delivery of the City's stop loss insurance coverage; and

Whereas, City staff recommends contracting with this vendor for administrative services in the continuation of stop loss insurance coverage; and

Whereas, City staff recommends the execution of contracts with a term of one (1) year and

Whereas, the contract effective date shall be July 1, 2026; and

Whereas, the monies for the contracts have been budgeted in the Health Care Fund budget at the same rate as the current contracted amount;

Now, Therefore, be it resolved by the City Council of the City of Asheville that:

The City Manager is hereby authorized to (1) enter into a contract on behalf of the City of Asheville with Cigna Health and Life Insurance Company to provide stop loss insurance coverage to eligible employees and their dependents; (2) execute said contracts for administrative services in an amount not to exceed $2,070,000, and (3) execute any necessary change orders to said contracts

Read, approved and adopted this 9th day of June.

_____
Esther E. Manheimer, Mayor

_____
Brad Branham, City Attorney

_____
Magdalen Burleson, City Clerk