# 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 Employee Health Insurance.

## Background:

- Offering competitive health insurance is essential for recruiting and retaining employees
- Providing healthcare coverage promotes a healthier workforce

## 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 ($720,000) 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 health insurance coverage to eligible employees and their dependents; (2) execute said contracts for administrative services in an amount not to exceed $720,000 annually for years one through three, $732,000 for year four, and $743,000 for year five , 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 employee health insurance coverage 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, the City is committed to providing employees and their dependents access to health insurance coverage including medical insurance; and

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

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

Whereas, City staff recommends the execution of contracts with an initial term of three (3) years with up to two (2) optional one-year extensions to said contract upon mutual approval of the parties; 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 health insurance coverage to eligible employees and their dependents; (2) execute said contracts for administrative services in an amount not to exceed $720,000 annually for years one through three, $732,000 for year four, and $743,000 for year five , and (3) execute any necessary change orders to said contracts.

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

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Esther E. Manheimer, Mayor

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Brad Branham, City Attorney

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Magdalen Burleson, City Clerk