



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** April 16, 2026

Staff Contact: Jeff Coulam, Human Resources Director

Agenda Title: For Possible Action: Discussion and possible action regarding proposed health, dental and life insurance contracts for Carson City to provide benefits coverage to City employees and retirees for Fiscal Year (“FY”) 2027 with the following providers: (1) health insurance benefits through Prominence Health as a one-year contract with a 10% increase over rates presently charged by Prominence Health for the PPO Plan and High Deductible Plan, and with monthly contributions to health savings accounts for employees in the amounts of \$246.17 (employee only), \$375.45 (employee plus spouse), \$359.25 (employee plus children) and \$508.79 (employee plus family); (2) dental insurance benefits through Renaissance Dental as a one-year contract with a 6% rate increase over the rates presently charged by Renaissance Dental; and (3) life insurance benefits through Kansas City Life as a one-year contract with a 0% rate increase over the rates presently charged by Kansas City Life. (Jeff Coulam, jcoulam@carsoncity.gov)

Agenda Action: Formal Action / Motion **Time Requested:** Consent

Proposed Motion

I move to approve the benefits contracts as presented.

Board's Strategic Goal

Organizational Culture

Previous Action

April 17, 2025 (Item 10A) – The Board of Supervisors authorized the City to contract with Prominence Health Plan for health insurance for one year, Renaissance Dental for dental insurance for one year, and Kansas City Life for vision insurance for two years.

Background/Issues & Analysis

The City’s combined medical and prescription paid claims loss ratio is 102% this year as opposed to last year’s claims loss ratio of 96%. The loss ratio is driven by overall utilization trends and the presence of large claims.

When the City joined Prominence Health for health benefits last year, the contract guaranteed a rate cap of 10% for FY 2027 as long as the City did not request bids from other insurance carriers. In coordination with the City’s insurance broker, staff has determined that any bid received from other carriers would be above 10%. Staff is recommending approval to remain with Prominence Health for FY 2027. There is one change to the existing benefits: the annual deductible under the High Deductible Plan will increase from \$3,300 to \$3,400, which is due to an IRS compliance requirement.

Staff is also requesting a change in the contributions currently made by the City to those who select the High Deductible Plan. In the past, the City has set the contribution amounts based on the cost difference between the costs of the PPO Plan and the High Deductible Plan. Applying that calculation methodology to the proposed rates, the City’s monthly contributions would increase as follows: \$223.80 to \$246.17 (employee only); \$341.29 to \$375.45 (employee plus spouse); \$326.57 to \$359.25 (employee plus children); and \$462.50 to \$508.79 (employee plus family).

The City’s dental insurance contract is also up for renewal. Renaissance Dental, the city’s current insurer, quoted a 6% increase for a one-year term. The dental paid claims loss ratio was 102%.

Kansas City Life quoted a 0% rate change for life insurance benefits for a one-year term.

Vision insurance benefits through Kansas City Life are in the middle of a two-year contract and are not up for renewal until July 2027.

Applicable Statute, Code, Policy, Rule or Regulation

N/A

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Group Medical Fund – Medical and Life Expense 5700706-506301, Dental Expense 5700706-506302

Is it currently budgeted? Yes

Explanation of Fiscal Impact: If approved, the health insurance premiums will increase by 10%. Due to the increase in premiums, staff recommends a conforming increase to health savings account contributions. The dental insurance premiums will increase by 6%. Finance budgeted a 10% increase to premiums in the Fiscal Year 2027 tentative budget.

Alternatives

Do not approve one or more of the proposed contracts and/or provide alternative direction to staff.

Attachment(s):

[Carson City 2026 renewal PHP.pdf](#)

[REVISED 07012026 Renaissance Dental Renewal.pdf](#)

[07012026 KCL Life Renewal.pdf](#)

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

