

## City Council – Action Request Form

**Date:** November 7, 2022

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**To:** Mayor, Mayor Pro Tempore and Members of the City Council

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**From:** Aaron King, Assistant City Manager  
Toneq' McCullough, Director of Transportation

**Council Action Requested:**

Resolution Authorizing the City Manager to Enter into an Agreement with Cigna for Medical and Dental Health Insurance Benefits for the Employees of W-S Service Division of Transdev North America Inc.

**Strategic Focus Area:** Quality Transportation  
**Strategic Objective:** No  
**Strategic Plan Action Item:** No  
**Key Work Item:** No



**Summary of Information:**

The Winston-Salem Transit Authority (WSTA) has an agreement for Health and Benefits Consulting Services with Mercer for the employees of the W-S Service Division of Transdev, Inc. The agreement requests Mercer to survey the market on behalf of the employees providing transit services for the WSTA to produce market results and recommend providers based on cost and benefit savings. While marketing for benefits, Mercer is responsible for negotiating to provide the most cost effective and efficient plan designs.

The current rate plan with United Healthcare expires on December 31, 2022. From the market search, Mercer received rate plans from (3) providers; United Healthcare, BCBS and Cigna. The evaluation committee compared each plan design to the current plan rates and pharmacy tiers. As a result, staff recommends Cigna as the provider for Medical and Dental insurance coverage for the employees of W-S Service Division of Transdev North America, Inc. Cigna was the lowest rate plan received resulting in a 12.1% or \$379,000 increase over the current plan.

**Committee Action:**

<b>Committee</b>	Finance 11/7/2022	<b>Action</b>	Approval
<b>For</b>	Unanimous	<b>Against</b>	
<b>Remarks:</b>			

<b>Summary</b>	<b>UHC</b>	<b>UHC</b>	<b>BCBSNC w/ Dental Discount</b>	<b>Cigna w/ Dental Discount</b>
	<b>Current</b>	<b>Renewal</b>	<b>Proposal</b>	<b>Proposal</b>
Gold Plan	\$3,119,000.00	\$3,575,000	\$3,556,000	\$3,496,000
Silver Plan	\$13,000.00	\$14,000.00	\$15,000.00	\$15,000.00
Est. Annual Costs	3,132,000.00	\$3,589,000.00	\$3,571,000.00	\$3,511,000.00
% Difference to Current		<b>14.60%</b>	<b>14.00%</b>	<b>12.1%</b>