

Mayor and Council Communication

DATE: 01/13/26

M&C FILE NUMBER: M&C 26-0016

LOG NAME: 14STOPLOSS2026

SUBJECT

(ALL) Authorize Execution of Agreement with VOYA Insurance Company in an Amount Not to Exceed \$2,100,000.00 for Stop Loss Insurance for the City of Fort Worth's Health Benefits Plan with an Effective Date of January 1, 2026 for a One-Year Term

RECOMMENDATION:

It is recommended that the City Council authorize the execution of an agreement with VOYA Insurance Company in an amount not to exceed \$2,100,000.00 for Stop Loss Insurance for the City of Fort Worth's Health Benefits Plan with an effective date of January 1, 2026 for a one year term.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to seek authorization from the City Council to enter into an agreement with VOYA Insurance Company, for Stop Loss Insurance for the City of Fort Worth's (City) Health Benefits Plan for 2026.

If approved, effective January 1, 2026, VOYA Insurance Company would provide specific stop loss coverage for the City's self-insured health plan. The specific stop loss coverage caps the City's liability for annual claims on a per member basis. The City pays for all claims for each participant up to a specified dollar amount with the Stop Loss Insurance coverage paying for any claims beyond the \$1 million per-participant threshold at a cost of \$24.73 per employee per month (PEPM) for each active employee and non-Medicare retiree who is a member of the City's self-funded health plan. In 2024, the City's Healthcare Plan had four members exceed the \$1 million in claims cost and through October 2025 the City's Healthcare Plan had two members exceed the \$1 million in claims cost.

The City's benefits consultant, IMA, conducted a Request for Proposal and VOYA Insurance Company was selected due to cost and experience in the stop loss industry.

SBO: This solicitation was reviewed by the Small Business Division for small business prospects according to the Small Business Ordinance. There were no small business opportunities available for the goods/services requested.

Funding is budgeted in the HR Retired Employee Insurance and HR Active Employee Insurance Departments within the Group Health Insurance and Retiree Healthcare Trust Funds, as appropriated. Funding for the balance of terms of these contracts will be requested as part of the Fiscal Year 2027 budget process.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: VOYA Insurance Company

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as previously appropriated, in the Group Health Insurance and Retiree Healthcare Trust Funds. Prior to an expenditure being incurred, the Human Resources Department has the responsibility to validate the availability of funds.

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