

OMB Granicus Review

Granicus Title	Increase to the Contract Purchase Agreement with Cigna Health and Life Insurance Company to provide Dental Benefits – Personnel Services				
Granicus ID#	25-1638A	Reference #	Contract No. 21-0179-P(LN)	Date	4-Nov-2025

Mark all Applicable Boxes:

Type of Review							
CIP		Grant		Other	X	Revenue	
						Project	

Fiscal Information:

New Contract (Y/N)	N	Original Amount	\$ 12,155,000
Fund(s)	5006	Amount of Change (+/-)	\$ 2,500,000 for the final 15 months
Cost Center(s)	662110	Total Amount	\$ 14,655,000 (5 years)
Program(s)	7076	Amount Available	\$ 3,000,000 (FY26)
Account(s)	5340008 5231102	Included in Applicable Budget? (Y/N)	Y – FY26 Requires continued funding in FY27.
Fiscal Year(s) Calendar Years	FY22 – FY27 Jan2022 - Dec2026		

Description & Comments

This contract amendment increases the 5-Year Agreement with Cigna Health and Life Insurance Company for providing dental benefits by \$2,500,000 (20.6%), from \$12,155,000 to \$14,655,000. This average increase of 5.0% per year over four (4) years is not due to overutilization of covered dental services. It is consistent with the rising cost of care, trending at an annual increase of 4.0-5.0% on the national level, and driven by:

- Increased cost/s of dental materials (fillings/amalgam, crowns, implants)
- Rise in salary compensation (dentists, hygienists, and specialty care)

The term of this agreement may be extended for two (2) additional twelve (12) month periods by mutually executing an amendment to the Agreement. Extensions would be pursuant to the same terms, conditions, and pricing set forth in the Agreement.

Funding is included in the FY26 Adopted Budget for the Employee Health Benefits Fund. Costs will continue to be monitored for these driving factors and any need for a budget amendment during FY26. The final three (3) months of the 5-year contract period (October - December 2026) will cross into the FY27 budget.

Analyst: **Veronica Ettel**

Ok to Sign: ☒