

Executive Summary

Board of Governors Meeting, September 24, 2025

Vision Insurance Coverage

Topic

This Consent Item requests approval to contract with Davis Vision, Inc. (Davis Vision) for Vision Insurance Coverage. Approval is requested for a four-year term for an estimated amount of \$629,899. Participating employees pay all costs for the coverage.

History

Citizens offers employees a voluntary vision insurance benefit that is 100% employee paid. The insurance benefit includes coverage for eye examinations, eyeglasses and contact lenses. Davis Vision is the current provider whose contract expires December 31, 2025.

Citizens' competitively procured benefit broker, Gallagher Benefit Services, Inc. (Gallagher) conducted a survey with six national carriers for these types of coverages. The survey showed increases up to 46.1% for policies starting January 1, 2026, with two carriers declining to quote. Gallagher recommends remaining with Davis Vision as there is no increase from the current coverage rates and Davis Vision will guarantee the rates for the four-year term. The new contract term will be effective January 1, 2026, through December 31, 2029.

The estimated total value of Vision Insurance Coverage through Davis Vision is approximately \$629,899 depending upon future enrollment. A five (5) percent contingency amount has been added to allow for potential fluctuation in participating employees. The actual total amount will be a function of employee enrollment in the Davis Vision plan during enrollment periods.

Recommendation

As set forth in the corresponding Consent Item.

Vision Insurance Coverage

☐ ACTION ITEM

☐ New Contract

☐ Contract Amendment

☐ Other _____

☒ CONSENT ITEM

☒ New Contract

☐ Contract Amendment

☐ Existing Contract Extension

☐ Existing Contract Additional Spend

☐ Previous Board Approval

☐ Other _____

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

☐ **Move forward as Consent:** This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Purpose/Scope	This Consent Item requests approval for a new four (4) year contract with Davis Vision, Inc. (Davis Vision) for vision insurance to be offered to Citizens' employees, as an option, effective January 1, 2026.
Contract ID	N/A
Budgeted Item	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Funding is provided through employee payroll deductions and will be included in the Annual Operating Budget for each year of the contract's four (4) year term, from January 1, 2026 – December 31, 2029.
Procurement Method	As an optional fully insured product, offered to Citizens' employees and families, this insurance is procured and recommended through Citizens' competitively selected insurance broker.
Contract Amount	The estimated value of the four (4) year contract from January 1, 2026, through December 31, 2029, is approximately \$629,899. This amount represents a 0% increase from the current coverage rates during the contract term, and the rate is guaranteed for all four (4) years. The employee-funded voluntary vision plan is 100 percent employee paid.
Contract Terms	January 1, 2026, through December 31, 2029

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Board Recommendation (DOES NOT go through Committee)	The Board approves the contract as listed above. Following contract execution, this approval authorizes staff to modify the contract in Citizens' best interest, including revising pricing, adding related services, or executing a six-month contract extension, consistent with Citizens' Purchasing Policy.
Contacts	Jeremy Pope, Chief Administrative Officer