

# TOWN *Of* PARADISE VALLEY



## STAFF REPORT

**TO:** Mayor Stanton and Town Council Members

**FROM:** Andrew B. Ching, Town Manager  
Gina Monger, Human Resources Director

**DATE:** October 23, 2025

**DEPARTMENT:** Town Manager (Human Resources)

Gina Monger

[gmonger@paradisevalleyaz.gov](mailto:gmonger@paradisevalleyaz.gov)

480-348-3542

**AGENDA TITLE:**

**Healthcare Requests for Proposals**

**RECOMMENDATION:**

The information being presented is to serve preliminary information in advance of the request for proposals (RFP) scheduled to be released in November 2025. Specifically, the Town is requesting consensus from Council to include bidding options for self-insured pools as well as fully self-insured employee benefit programs.

**SUMMARY STATEMENT:**

The Town has been a member of the *Arizona Metropolitan Trust (AzMT)*, which is a self-insured pool, since July 1, 2017. The AzMT provides employee healthcare benefits which include medical, dental, vision, prescription, short-term disability, employee assistance programming, wellness, and life and accidental death and dismemberment coverages for all eligible employees. The Town is in the last year of its third contract extension with AzMT that will expire June 30, 2026. The Town has the option to renew for another three-year term.

The Town entered into an agreement with *Capital Financial Consulting (Capfi Consulting)* to support the RFP process. In preparation for the RFP, *Capfi Consulting* conducted a feasibility study to determine if the Town would be a strong candidate to become fully self-insured. The study projections indicated that the fully self-funded model would outperform self-funded pooled model as follows, assuming \$150,000 of individual stop loss (ISL) coverage:

| Fiscal Year | AzMT Premiums | Self-Funded Costs | Projected Savings |
|-------------|---------------|-------------------|-------------------|
| FY2026      | \$1,469,212   | \$1,309,782       | \$159,430         |
| FY2027      | \$1,598,650   | \$1,443,996       | \$154,654         |
| FY2028      | \$1,739,491   | \$1,543,091       | \$196,400         |
| FY2029      | \$1,892,740   | \$1,649,965       | \$242,775         |
| FY2030      | \$2,059,490   | \$1,765,234       | \$294,256         |

The expected five-year savings with the self-insured model versus the current model with the *AzMT* would significantly exceed the cost of the consultant services provided by *Capfi Consulting*.

The Town seeks to issue an RFP for employee healthcare benefits, as it has been an extended period of times since the last competitive bidding process for employee healthcare benefits has been conducted.

**BUDGETARY IMPACT:**

*Capfi Consulting* was selected to assist the Town with the RFP process. The linking agreement executed with *Capfi Consulting*, is not to exceed \$21,125. Council approved \$45,000 for a healthcare benefits RFP in FY2026.

**ATTACHMENTS:**

- A. Staff Report: *Healthcare Requests for Proposals*
- B. Presentation