

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

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**BOARD OF DIRECTORS COMMUNICATION  
JUNE 3, 2025 AGENDA**

<b>Subject:</b>	<b>Action Required:</b>	<b>Approved By:</b>
Modification of the Consulting Services Agreement for Employee Benefits with JTS Financial Services, LLC	Ordinance √ <b>Resolution</b>	
<b>Submitted By:</b>  Human Resources Department		Delphone Hubbard Acting City Manager
<b>SYNOPSIS</b>	A Resolution authorizing the City Manager to modify the agreement with JTS Financial Services, LLC for Benefit Consultation, Data Analytics, Reconciliation Services, web-based Benefit Administration & Enrollment Services, ACA reporting, solicitation and placement of an on-site or near-site medical clinic, and any other benefit that the City of Little Rock wishes to pursue; with the option to add COBRA Administration, FSA/DCP Administration, and a Dedicated Customer Service Platform, for the period of May 4, 2025, to May 4, 2026. This represents year five (5) of a seven (7) year term.	
<b>FISCAL IMPACT</b>	<p>The amount is not to exceed \$95,000.00 for Benefit Consultation, Data Analytics, Reconciliation Services, web-based Benefit Administration &amp; Enrollment Services, ACA reporting, COBRA Administration, and FSA/DCP Administration. Payments for this expense will come from Accounting Unit #101003 and Account #63211.</p> <p>The City of Little Rock anticipates transitioning to a partially self-insured medical plan in 2026, JTS will only be compensated as a percentage of savings derived from Prescription rebates and reduction of administrative plan expenses. JTS will receive incentive compensation of 20% of</p>	

**FISCAL IMPACT  
CONTINUED**

medical plan savings based on the 2025 fully insured medical plan costs versus a partially self-insured plan structure in 2026, an amount not to exceed \$200,000.00. Payments for this expense will come from Accounting Unit #101003 and Account #63211. If the City of Little Rock decides to remain fully insured, JTS will receive no standard commission for medical plan consulting services.

Compensation structure in subsequent years will be based on a per participating employee per month charge of \$5.00, assuming medical plan consulting services only, an amount not to exceed \$200,000.00. Payments for this expense will come from Accounting Unit #101003 and Account #63211.

If the City of Little Rock determines that they would like JTS to provide a dedicated Customer Service Platform for all benefits, there would be an additional \$4.00 per participating employee per month charge. Therefore, the amount not to exceed paragraph one (1) of Fiscal Impact would increase by \$100,000.00. Payments for this expense will come from Accounting Unit #101003 and Account #63211.

JTS can receive commissions from dental, vision, long term disability, life insurance, AD&D and any other voluntary benefit insurance product except medical plan vendor commissions.

**RECOMMENDATION**

Approval of the resolution.

**BACKGROUND**

Bid 1031 for Employee Benefit Consulting Services was issued and JTS Financial Services LLC was chosen. Resolution 15,449 was issued authorizing the agreement between the City and JTS, with the initial term of May 4, 2021, to May 4, 2022, with the option to extend the contract for six (6) additional one (1)-year terms. The agreement with JTS was not finalized until July 13, 2021. The Board approved the extension of the contract with JTS in Resolution 16,656 for year five (5) of a seven (7) year term. The city wishes to modify the agreement with JTS to once again include consultation services for a partially self-insured medical plan and to add solicitation and placement of an on-site or near-site medical clinic, in addition to any other benefit that the city wishes to pursue. JTS will continue to provide web-based Benefit Administration & Enrollment Services and ACA reporting, and the City has the option

**BACKGROUND  
CONTINUED**

to add COBRA Administration, FSA/DCP Administration and a Dedicated Customer Service Platform, for the period of May 4, 2025, to May 4, 2026, in an amount not to exceed \$395,000.00 (for all services including additional fee for medical plan consultation if the City goes self-funded and if the City adds the customer service platform; otherwise the not to exceed amount will remain \$95,000.00 as included under Fiscal Impact paragraph one). This contract could be extended for two (2) additional years in accordance with the renewal clause in the original agreement.