

July 2, 2013

Alderman Michael Murphy, Chairman
City of Milwaukee Common Council Finance and Personnel Committee
200 East Wells Street, Room 205
Milwaukee, WI 53202

**File No: 130204 directing the Department of Employee Relations
to enter into contracts with dental providers for 2014-2016**

Dear Alderman Murphy and Finance Committee Members:

File #121163 authorized the Department of Employee Relations (DER) to complete a request for proposal (RFP) process for dental providers for 2014-2016.

The RFP process has been completed and DER is recommending the City enter into new contracts with two pre-paid dental providers – CarePlus Dental and Anthem DentalBlue – for 2014-2016, with the option to extend one time for up to two years. These are the two current pre-paid dental providers. Their rates will increase 3% and 4% respectively for 2014. There were no other dental providers that provided the City of Milwaukee benefit design for pre-paid dental plans that was requested in the RFP in their bids.

The RFP process for a PPO dental provider included five viable responses that were considered. The DER is recommending the City enter into a one year contract, with the option to extend for one two-year period, with MetLife. Their bid was \$233,401 lower than the current provider and lower than any other provider for the same benefit design and services.

There was a review team that included Dennis Yaccarino of the Budget Office and Renee Joos and Mike Brady of DER that met with Willis, the City's consultant, to review the dental responses.

The City of Milwaukee contribution for dental is fixed at \$13 for single and \$37.50 for family. The savings for the MetLife bid will provide a reduced cost to employees selecting dental services over continuing with the current vendor.

Please contact me if you have any additional comments or questions regarding this file.

Sincerely,
Michael Brady,
Employee Benefits

CC: Maria Monteagudo, DER
Debra Ford, Labor
Renee Joos, DER
Ellen Tangen, City Attorney's Office
Mary Turk, LRB
Dennis Yaccarino, Budget Office