

November 25, 2002

The Honorable Common Council
Finance and Personnel Committee
200 East Wells Street
Milwaukee, WI 53202

**RE: WORKERS COMPENSATION THREE YEAR CONTRACT WITH
CORVEL FOR 2003-2005**

Dear Ladies and Gentlemen:

Please introduce a file for the next Finance and Personnel Committee Meeting to authorize the Department of Employee Relations with the approval of the City Attorney's office to extend a contract between the City of Milwaukee, other government employers and CORVEL to provide a Preferred Provider Network discount and Pharmacy Benefit Management services for those employees using Workers Compensation services.

There is no direct cost to the budget for this service since CORVEL is paid through a percent of savings agreement. The contract extension would be from 2003 to 2005.

Net savings to the City from CORVEL in 2001 were \$871,000; in 2002 through 10 months the net savings have been \$755,000.

Sincerely,

Michael Brady
Employee Benefits

City Attorney Grant Langley
Dennis Yaccarino, Budget Office
Marianne Walsh, Legislative Reference Bureau
Florence Dukes
Burma Hudson