

Mary 20, 2014

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

**File No: 140075 authorizing a Process to communicate
2015 health benefit rates to active and retired employees**

Dear Alderman Kovac and Finance Committee Members:

The City of Milwaukee provides health benefits and prescription drug benefits to all active and retired employees. The City has a contract with Willis to provide actuarial services including the projection of equivalent plan rates for active and retired members.

The City will be communicating information regarding open enrollment and 2014 rates on the City web site for active members by October 1, 2014 and will post and send open enrollment materials to retired members in October 2014.

Willis will use the utilization and experience data provided by UHC and ExpressScripts through August 2014 to project the 2015 rates for active and retired members. The rates will be on the DER web site by October 1, 2014 and mailed to retired members. This process will allow the City to provide more accurate rates for 2015, including the City share and the member's share of the total premium equivalent, by using utilization data through the end of August 2014.

Willis will prepare separate rates for active and retired members based on their current utilization experience.

This resolution allows the Department of Employee Relations to communicate those rates on the City DER web site as of October 1, 2014 to active members, prior to open enrollment; and to mail the rates for retired members in October, 2014. The Department of Employee recommends approval of this resolution. DER will share the rates in a Communication File in September 2014.

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

Michael Brady,
Employee Benefits

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