



Department of Employee Relations

Cavalier Johnson
Mayor

Harper Donahue, IV
Director

Renee Joos
Employee Benefits Director

Nicole M. Fleck
Labor Negotiator

January 23, 2024

Alderwoman Marina Dimitrijevic, Chairwoman
City of Milwaukee Common Council Finance and Personnel Committee
200 East Wells Street, Room 205
Milwaukee, WI 53202

231438 Resolution to Extend the Contract for Worker's Compensation TPA Services

Dear Alderwoman Dimitrijevic and Finance Committee Members:

The City of Milwaukee currently self-insures its worker's compensation benefits and outsources the claim administration functions to a third-party administrator (TPA) CorVel Enterprise Comp, Inc (CorVel). The City entered into a contract for Worker's Compensation TPA services with CorVel in April 2018.

The Department of Employee Relations (DER) works closely with CorVel regarding the administration of the worker's compensation claims processing and account management services to address ongoing and complex issues that arise with this function. CorVel has been a good partner with the City in resolving current problems and ensuring the claims administration functions proceeds as smoothly as possible. A number of performance guarantees are included in the current contract to assist the City with auditing the claims administration functions and ensuring CorVel is performing appropriately.

Due to the complexity of City's worker's compensation program and the claims administration functions along with CorVel's positive performance, the DER would like to further extend the contract with CorVel. CorVel has agreed to keep contract fees, outside of the performance guarantees, flat for the first year of the contract extension. The DER will negotiate reasonable fee increases with CorVel for the remainder of the contract extension term.

The DER recommends the Finance and Personnel Committee approve the file and allow DER to extend the current contract with CorVel for up to three years through March 31, 2027.

I am happy to answer any questions or comments regarding his file.

Sincerely,
Renee Joos
Employee Benefits