



Department of Employee Relations

January 25, 2006

**Tom Barrett**  
Mayor

**Maria Monteagudo**  
Director

**David Heard**  
Fire and Police Commission  
Executive Director

**Michael Brady**  
Employee Benefits Director

**David Kwiatkowski**  
Labor Negotiator

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

**RE: WORKERS COMPENSATION THREE YEAR CONTRACT EXTENSION  
WITH CORVEL FOR 2006-2008**

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 percent of savings paid to CORVEL will change in this contract. The contract extension would be from 2006 to 2008.

Net savings to the City from CORVEL in 2004 were \$1,382,130.28; in 2005, the net savings have been \$1,521,488.83.

Sincerely,

Michael Brady  
Employee Benefits

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