



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

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Vacant
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February 17, 2017

Aldерwoman Milele Coggs, Chairwoman
City of Milwaukee Common Council Finance and Personnel Committee
200 East Wells Street, Room 205
Milwaukee, WI 53202

File No: 161411 Family and Medical Leave Act (FMLA) Request for Proposal

Dear Alderwoman Coggs and Finance Committee Members:

The City of Milwaukee has a legal obligation to comply with FMLA regulations as defined under section 103.10 of the Wisconsin Statutes and under Federal law, 29 U.S.C. § et seq. In accordance with Section 350.39 of the Milwaukee Code of Ordinances, the Department of Employee Relations (DER) is responsible for issuing policies and procedures to implement the requirements of the acts and for coordinating the requirements with other City leave policies and procedures.

Administration of leave benefits for eligible employees is currently decentralized and each department or division is responsible for receiving, reviewing, processing, approving or denying requests, and tracking utilization. Generally this responsibility is performed by payroll and/or human resource staff within each department.

Reconciling FMLA federal and state provisions and tracking utilization can be difficult. Leave administrators often have to address leave requests in relation to American with Disabilities requests for accommodations as both regulations serve to protect employees who may need to be absent from work due to a disability or medical condition. These employment regulations are difficult to manage, implement, and comply with and many employers choose to outsource leave administration to third party administrators who are generally able to:

- Ensure consistency in the administration of leave benefits across work units within a large employer;
- Eliminate the need to share sensitive medical information with the employer;
- Reduce the ever increasing burden on benefit administrators given other healthcare related changes and associated legislative mandates;
- Provide utilization reports that allow the employer to make effective and timely staffing management planning decisions.

Research conducted by DER indicates that vendors who specialize in this function also reduce or limit the City's potential liability from improper administration of the benefit. Milwaukee County and the Milwaukee Public Schools have effectively transitioned administration of FMLA benefits to a third party administrator within the last two years.



Representatives from City departments concur with the need to explore the use of an outside vendor to administer this function. The 2017 Budget provides funding for the Department of Employee Relations to explore a more consistent, efficient and comprehensive way of administering FMLA by working with Willis Towers Watson to execute a Request for Proposal process for this benefit.

Contingent upon approval of this file, a review team will be selected to evaluate the responses to an RFP with additional analysis by Willis Towers Watson. It is the DER's intent to submit a recommendation to the Finance and Personnel Committee after this process is completed later this year.

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

Sincerely,
Renee Joos
Employee Benefits

CC: Ellen Tangen, City Attorney's Office
Dennis Yaccarino, Budget Office

