

## Attachment A

### 2007-2009 Contract with Willis of Wisconsin

#### Scope of Services,

The City of Milwaukee scope of services includes a full range of services related to the design, implementation, maintenance, communication, and ongoing improvement of the City's group insurance programs. This will include, but is not limited to:

Assist in preparation and execution of Request for Proposals (RFP) for health, dental, flexible spending and long term disability services

- Assist the Benefits Director in creating the RFP
- Assist the City team in determining how to evaluate the responses
- Assist the City team in identifying potential responders
- Evaluate the financial proposals of each bid
- Assist the City team in making recommendations to policy makers

Maintain and Support a data warehouse, data gathering and information sharing:

- Maintain a data warehouse that currently includes health and prescription insurance claims from 2004, 2005, and 2006 from both HMO and Basic Plan vendors,
- Add 2007 vendor data to this warehouse
- Prepare useable data summaries for DER, Budget Office, Aldermen and other City officials
- Identify trends and patterns of utilization and recommend cost reduction opportunities
- Transfer data stored by current consultant to party selected without additional costs

Prepare projected costs for all self-insured or proposed self-insured City plans with a Fellow of the Society of Actuaries, and provide projected costs for all union and management health insurance proposals during negotiations.

- Based on the data gathered, the experience and the utilization, project the 2008 City claims costs for all self insured plans, both active and retired employees
- Provide documentation and analysis to support the projected costs
- The projected cost of the self-insured plans with supporting documents requires the services of a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries.

Make recommendations regarding the products offered by the City of Milwaukee

- Identify the benefits/challenges of using an insured HMO type product or a self-insured type product
- Recommend changes regarding plan design, premium, co-pays, co-insurance and deductibles.

Make recommendations regarding prevention, disease management and wellness activity

- Based on the review of the utilization and experience of the City data, the consultant should identify options and specific recommendations regarding the best disease management and wellness efforts the City should be engaged in.
- Assist as necessary in identifying vendors to provide health risk analysis and healthy lifestyle services for City members.
- Project cost reductions from the implementation of different wellness programs, incentives, and disincentives

Make recommendations regarding prescription utilization

- Based on review of the utilization and experience of the City members for prescription data, the consultant needs to make recommendations to help the City and City members control costs and provide appropriate medications to the members.
- Continue to make recommendations regarding utilization of Medicare Part D with over 65 medicare retirees, efforts that will allow retirees to control their health care costs and get the most appropriate medications.
- As part of the RFP process, help the City to evaluate the ongoing utilization of a Medicare Wrap program with both the HMO and the Basic Plan for retirees over 65.

Assist the City in developing a comprehensive strategic direction to control health care costs

- Review where the City has come from in the past five years, and where the City will be in another five if specific changes in health care benefits and plan design are made
- Share the strategic direction, including measurable goals, and obtain consensus from management regarding the direction, including aldermen and the Mayor.
- Share the information with any existing Labor/Management and retiree Committees at the direction of the Labor Relations and Employee Benefits.
- Assist in obtaining labor buy-in of the City health plan policies.
- Assist in developing and establishing measurable outcomes to monitor the success of implemented changes.
- Assist a labor-management committee in the design, development, RFP process, and implementation of a comprehensive prevention/wellness program

Assist the Employee Benefits Director in administering all group insurance plans

- Assist the City in complying with laws and regulations related to employee benefits
- Assist the City with the implementation and communication of new programs or changes to existing programs, which will include attending and presenting information at Open Enrollment meetings and/or health fairs.
- Research any new developments in the law and employee benefits on an ongoing basis.
- Interface with insurance carriers as needed to assist the City in the resolution of problems associated with benefit programs

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**Fees**

Not to exceed \$105,000 for specific services listed in 2007, 2008 and 2009

Total of \$315,000 over three year period