



Department of Employee Relations

Tom Barrett
Mayor

Maria Monteagudo
Director

Renee Joos
Employee Benefits Director

Nicole Fleck
Labor Negotiator

June 30, 2017

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

File No: 170339 Resolution for 2018 Healthcare and Dental Rate Process

Dear Alderwoman Coggs and Finance Committee Members:

The City of Milwaukee provides healthcare and prescription drug benefits to all eligible employees and retirees and dental benefits to active employees. The premium rates for these benefit services are updated annually by Willis Towers Watson, the City's benefits consultant, based on the experience to date of each respective employee and retiree group.

The Department of Employee Relations (DER) will follow the same process utilized in past years to determine and communicate 2018 employee health and dental benefit rates and retiree health rates. Willis Towers Watson will analyze utilization and experience data provided by OptumRx and UnitedHealthcare through August 2017 along with healthcare inflationary trends and the City's benefit design to project the 2018 rates. A process which includes health data through August 2017 allows the City to provide more accurate rates for 2018, including the City and member share of the total premium equivalent. A similar practice will be used to calculate employee dental premium rates based on experience data from the City's dental providers.

Approval of this resolution allows the DER to utilize and communicate the health benefit and dental rates to employees and mail health benefit rates to retirees prior to the open enrollment period for 2018. The DER recommends approval of this resolution and will share benefit rates including the employee and retiree premium share in a separate communication file in September.

Please contact me if you have any questions or comments regarding his file.

Sincerely,
Renee Joos
Employee Benefits

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

