



Department of Employee Relations

March 15, 2019

Tom Barrett
Mayor

Maria Monteagudo
Director

Renee Joos
Employee Benefits Director

Nicole Fleck
Labor Negotiator

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

File No: 181715 Authorizing DER to Issue a RFP for Health Plan and Pharmacy Benefits

Dear Alderwoman Coggs and Finance Committee Members:

The City of Milwaukee currently provides health insurance and prescription drug benefits to City employees and retirees. Contracts for health benefits, administered by UnitedHealthcare, and pharmacy benefits, administered by OptumRx, expire at the end of 2019. The current contracts were secured as part of a joint Request for Proposal (RFP) process with other local governmental agencies.

In 2014, the DER along with Willis Towers Watson and the Milwaukee County Healthcare Consortium (MCHCC) which included the City, Milwaukee County, Milwaukee Public Schools and Milwaukee County Transit system (MCTS) worked together to complete the RFP for the administration of each entity's health plan and pharmacy benefits. Working with other local governmental bodies on the RFP allowed the City to obtain more favorable contract terms.

The DER intends to continue its collaboration with Milwaukee County and MCTS to execute RFPs for health and pharmacy benefits administration services for the City. The joint RFP will allow the City of Milwaukee, Milwaukee County and MCTS to retain their respective pharmacy and health plan benefit designs and contributions while achieving more competitive offers.

The Department of Employee Relations (DER) will work with the City's Benefits Consultant, Milwaukee County and MCTS to execute the RFP process and a review team will be selected to evaluate the responses including a financial analysis of the terms offered. Once a decision is reached, the DER will provide the Finance and Personnel Committee with the results and recommendations for the City's 2020 health plan and pharmacy benefits administrator(s).

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

Sincerely,
Renee Joos
Employee Benefits



