

June 28, 2013

Alderman Michael Murphy, Chairman
City of Milwaukee Common Council Finance and Personnel Committee
200 East Wells Street, Room 205
Milwaukee, WI 53202

**File No: 130265 authorizing a Process to communicate
2013 health benefit rates to active and retired employees**

Dear Alderman Murphy and Finance Committee Members:

The City of Milwaukee has health benefit and prescription drug benefit contracts through December 31, 2014 with UnitedHealthcare (UHC) and with ExpressScripts/Medco. The City has a contract with Willis to provide actuarial services including the projection of equivalent plan rates for active and retired members.

The City will be communicating information regarding open enrollment and 2014 rates on the City web site for active members by October 1, 2013 and will post and send open enrollment materials to retired members in October 2013.

Willis will use the utilization and experience data provided by UHC and ExpressScripts/Medco through August 2013 to project the 2014 rates for active and retired members. The rates will be on the DER web site by October 1, 2013 and mailed to retired members. This process will allow the City to provide more accurate rates for 2014, including the City share and the member's share of the total premium equivalent, by using utilization data through the end of August 2013.

Willis will prepare separate rates for active and retired members based on their current utilization experience.

This resolution allows the Department of Employee Relations to communicate those rates on the City DER web site as of October 1, 2013 to active members, prior to open enrollment; and to mail the rates for retired members in October. The Department of Employee recommends approval of this resolution. DER will share the rates in a Communication File in September or October 2013.

Please contact me if you have any additional comments or questions regarding this file.
Sincerely,

Michael Brady,
Employee Benefits

CC: Maria Monteagudo, DER
Debra Ford, Labor
Renee Joos, DER
Ellen Tangen, City Attorney's Office
Mary Turk, LRB
Dennis Yaccarino, Budget Office